

COUNCIL MEETING

JULY 1, 2015

The Council Meeting of the Council of the County of Kaua'i was called to order by Council Chair Mel Rapozo at the Council Chambers, 4396 Rice Street, Suite 201, Lihu'e, Kaua'i, on Wednesday, July 1, 2015 at 8:43 a.m., after which the following Members answered the call of the roll:

Honorable Mason K. Chock
Honorable Gary L. Hooser
Honorable Ross Kagawa
Honorable Arryl Kaneshiro
Honorable KipuKai Kuali'i (*present at 8:44 a.m.*)
Honorable JoAnn A. Yukimura
Honorable Mel Rapozo

APPROVAL OF AGENDA.

Councilmember Kagawa moved for approval of the agenda as circulated, seconded by Councilmember Chock, and carried by a vote of 6:0:1 (*Councilmember Kuali'i was excused*).

(*Councilmember Kuali'i was noted as present.*)

MINUTES of the following meetings of the Council:

May 19, 2015 Council Meeting
May 19, 2015 Public Hearing re: Bill No. 2587
June 3, 2015 Special Council Meeting
June 10, 2015 Public Hearing re: Bill No. 2588

Councilmember Kagawa moved to approve the Minutes as circulated, seconded by Councilmember Chock, and unanimously carried.

Council Chair Rapozo: Madame Clerk, can we just go down the Consent Calendar, being that there are people to testify on one of the items. Let us just go down the Consent Calendar.

JADE K. FOUNTAIN-TANIGAWA, County Clerk: Okay.

CONSENT CALENDAR:

C 2015-183 Communication (06/10/2015) from the County Engineer, transmitting for Council consideration, a Resolution establishing a maximum speed limit of twenty miles per hour (20 MPH) along Akekeke Road and a portion of Ulili Road, Kekaha, Waimea District, County of Kaua'i, State of Hawai'i: Councilmember Kuali'i moved to receive C 2015-183 for the record, seconded by Councilmember Kagawa, and unanimously carried.

C 2015-184 Communication (06/23/2015) from Council Chair Rapozo, transmitting for Council consideration, a Resolution establishing a county

manager-council sub-committee of the Committee of the Whole to obtain information regarding the county manager-council form of municipal government: Councilmember Kualii moved to receive C 2015-184 for the record, seconded by Councilmember Kagawa.

Councilmember Kualii moved to take C 2015-184 off of the Consent Calendar, seconded by Councilmember Kagawa.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: I have a process question. We have the actual Resolution listed on the agenda, right?

Council Chair Rapozo: Correct.

Councilmember Kagawa: Are we going to allow two (2) testimonies on the same item?

Council Chair Rapozo: I am going to ask that for those of you who cannot stay for the reading of the Resolution itself later this afternoon, this is an opportunity to testify on the Resolution. I would ask that if you testify for this communication that you not testify for the Resolution.

Councilmember Kagawa: I would say that is in-line with the rules that say a person cannot testify more than six (6) minutes on a particular item.

Council Chair Rapozo: Correct.

Councilmember Kagawa: Thank you.

Council Chair Rapozo: I am just asking if the members in the public can wait until the actual Resolution that they do so. If not, this is an opportunity to testify. Do we have any time sensitive matters today? We have the cash audit. Go ahead, Councilmember Kagawa.

Councilmember Kagawa: I have a suggestion that we could take the Resolution out of order and take it after the communications or even at any time soon. If that is the pleasure of the Council, I have no problem with that.

Council Chair Rapozo: I do not have an objection to that. I know we are time sensitive because I believe that Ken has to leave at 10:00 a.m. I would suggest that we take the Cash Management Audit first so we can get Ken out of here, and then we can take the Resolution immediately following that. Is there any objection to that? Seeing none, did anyone want to testify on the Resolution now? With no objections, the rules are suspended. Right now, the communication for the Resolution is on. Glenn, my plan is to do the Cash Management Audit and go to the Resolution. Right now is the communication that comes with the Resolution. I am going to ask that if you testify for the communication now, that you testify at that point and withhold your testimony when the Resolution comes up. Cash Management will be coming up right after we get done with this business. Right now, what is on the floor is the Resolution for the sub-committee.

There being no objections, the rules were suspended.

GLENN MICKENS: Good morning, Councilmembers. Let me first say that I really appreciate the new type of agenda where you have it in blue so that you can click on the link and get the agenda along with the attachments. I really appreciate that. I think this is the first time it has been like this and I think this was years in the waiting. Anyway, I have my testimony and also Walter Lewis' testimony because he could not be here. They are both relatively short. Thanks again to Chair Rapozo and Councilmember Chock for keeping this manager issue active and on agenda, C-2015-184 and Resolution No. 2015-50. I highly approve the Council's forming of this sub-committee to investigate and obtain information regarding the county manager-council form of government. Section 4 of the Resolution, outlining what information the sub-committee must gather to make their decision, is very good and explicit. However, all Councilmembers have already been presented with pages of material, given to them by Ken Taylor, who has worked hard to compile it. So their decision-making should be relatively easy. Subsection 5 states that the sub-committee shall report to the Committee of the Whole within six (6) months of the adoption of this Resolution. I would hope that a three (3) or four (4) month period would be long enough for the sub-committee to make their final decision, and get this issue finalized to put on the ballot. Again, all the material that is needed is certainly there and any material still needed is available from International City/County Manager Association (ICMA). For those in the public who do not know, that is the "International City/County Manager Association." No new wheel has to be invented. This is Walter Lewis' testimony: "I warmly support Resolution No. 2015-50 and wish to commend Council Chair Rapozo and Councilmember Chock for bringing this opportunity for a better government to our island. Council-manager systems have been in existence for about one hundred (100) years and have in this period gone from nonexistent to be in the system and use in about half of the communities about our size. This growth rate tide seems irreversible and indicates the system's increasing acceptance. I have studied this system for quite a number of years and have some insights about it that might be of value to the proposed sub-committee. I would be pleased to be of whatever assistance the sub-committee might desire. Sincerely, Walter Lewis." These are the two (2) issues that are most relevant to you. Again, if do you need any more material, ask us. Ken has...I am sure you have seen...boxes of it. Thank you, Mel.

Council Chair Rapozo: Thank you, Mr. Mickens. Anyone else wishing to testify now? If not, I will call the meeting back to order. We have a motion to receive and a second.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to receive C 2015-184 for the record was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

Ms. Fountain-Tanigawa: Chair, for the next item, did you want to go to the Cash Management Audit?

Council Chair Rapozo: Let us just go through C 2015-181 and C 2015-185 and if there is any discussion, we can move it. I think we can clear it out.

COMMUNICATIONS:

C 2015-181 Communication (06/05/2015) from Council Chair Rapozo, requesting Council consideration, for the public release of the following County Attorney opinion relating to Bill No. 2589 (Recovery of Rescue Expenses):

- County Attorney Opinion dated May 27, 2015
(Tracking No. 15-0441)

Council Chair Rapozo: This, I will ask that we hold until after the Executive Session because we have an Executive Session on this item. With no objection, can we take C 2015-185, please?

C 2015-185 Communication (06/08/2015) from the Fire Chief, requesting Council approval to accept a donation of two (2) Training Automatic External Defibrillators (AED) and two (2) Middle School Cardio-Pulmonary Resuscitation (CPR) Training Kits from the Hawai'i Heart Foundation, for a total value of \$2,060, to be used in the island-wide training of middle school students: Councilmember Yukimura moved to approve C 2015-185 with a thank-you letter to follow, seconded by Councilmember Kaneshiro.

Council Chair Rapozo: Any discussion?

Councilmember Yukimura: Yes.

Council Chair Rapozo: Go ahead.

Councilmember Yukimura: I want to commend the Fire Department and all of those involved in training middle school students in using the Automatic External Defibrillators (AED) and the process of Cardio-Pulmonary Resuscitation (CPR). I know that in Seattle, their goal was to train one (1) out of four (4) people in the city and that would save many, many lives to have such experience throughout the population. This is a lifesaving effort and it is very commendable.

Council Chair Rapozo: Thank you very much.

The motion to approve C 2015-185 with a thank-you letter to follow was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

C 2015-186 Communication (06/09/2015) from Council Chair Rapozo, requesting the presence of the Managing Director to discuss the Audit of Cash Management Practices that was prepared by the Office of the County Auditor, and to respond to the various findings and recommendations cited in the aforementioned Audit: Councilmember Kualii moved to receive C 2015-186 for the record, seconded by Councilmember Chock.

Council Chair Rapozo: Thank you. With that, I will suspend the rules with no objections. Can we have the Administration up, please? As they are coming up, let me just say that this audit was done quite a while ago, and one of the practices that I want to see, in this term anyway, is that upon the completion of any audits that are done, the audit will be placed on the agenda so that we can have the open public discussion. Two (2) audits that were done were not given that

opportunity. Basically, we are in the cleanup mode and this is just one (1) of the two (2) that I want to have that open public discussion so that we can ensure the public that the Administration, the Council, and everyone in the County is moving forward to improving the way we operate. That is the purpose of the audit. We do these audits so that we can become more efficient. Today's discussion is really to find out from the Administration if, in fact, they implemented the recommendations that were set forth by the auditors back in 2013, I believe, or 2012. Thank you, Ken. Everyone has a copy of the Audit Report, and there were findings and recommendations in the Audit Report. It is my desire to go through each one, starting with Finding 1, and have the appropriate personnel respond to that.

There being no objections, the rules were suspended.

KEN M. SHIMONISHI, Director of Finance: *Aloha.* Ken Shimonishi, Director of Finance. Council Chair Rapozo and Councilmembers, thank you for the consideration of moving the item up for my personal appointment that I have later. We did E-mail over our response as to the findings in the audit, indicating that we concur with the findings. Again, this is back in 2012. Within each finding, there has been a response and a plan that has been carried forth to comply with the recommendations of the audit. Finding 1, I believe, was basically the sixty percent (60%) of the aggregate amount of moneys available being invested in one particular institution or the fact that we went over that amount, which we are allowed to do, provided that higher returns can be obtained. That has been documented, as well as the allocation percentages that are set forth. On the second finding...

Council Chair Rapozo: Hold on. Are there any questions on Finding 1? We are going to go down the findings one at a time. Was there any questions? For me, the recommendation was that we document the percentage of county moneys on deposit, each of the County's depositories on weekly or daily basis, because we were doing it back then on a monthly basis.

Mr. Shimonishi: Correct. We continue to do it on a monthly basis. The fact is that the investments that the County is restricted to by Hawai'i Revised Statutes (HRS) and Resolution really do not allow much volatility in the market. I see our trustee Treasurer Dave Spanski here who can elaborate on that.

Council Chair Rapozo: Thank you, Sir. If could you state your name for our captioner, please.

DAVE SPANSKI, County Treasurer: Dave Spanski, County Treasurer. Authorized conditions for the depository of public money: "Hawai'i Revised Statutes 38-2, item f, 'Each depository shall, at the end of every month, render to the director a statement of duplicate for all of the funds on deposit.'" In the law, it is monthly.

Council Chair Rapozo: Okay.

Mr. Spanski: Yes, I was doing it monthly. Theoretically, you are doing it daily and weekly because you are doing it every day; you are seeing it. It is just a calculation that you can say, "Oh, today, here is how much went in and how much came out of a certain bank." It is just a math function. But yes, we formalize it and document it each month.

Council Chair Rapozo: I guess as I am reading the finding, and I am not a finance guy, so forgive me, but does the State law mention any other requirement if the funds go beyond the sixty percent (60%) aggregate in one bank?

Mr. Spanski: No, it says, "More than sixty percent (60%) of the aggregate amount of moneys available for deposit and on deposit may be deposited in such depository within the State offering a higher yield."

Council Chair Rapozo: Okay. So here in his findings, and we can correct the auditor, too, because I am sure they make mistakes; it says, "We did not formally document how the County is complying with the law when County moneys on deposit with the large local bank exceeded the sixty percent (60%) limitation." As I read that, it tells me that if we go beyond sixty percent (60%) it requires different monitoring. So you are saying that HRS does not...

Mr. Spanski: Yes, HRS does not specifically, but what it is, is that we get a bank statement or we know what the banks do because we are dealing with them every day. They do not change their deposit rates on a daily or monthly basis. The last time they changed them has been amount fifteen (15) months. If you want me to present a piece of paper, I have the history of our deposit accounts. I can show you "here is what it was" and "here it is a year later." It is still the same amount.

Council Chair Rapozo: I trust you, Dave. You have been here long enough to school me on this thing. I just am concerned with the recommendation and if we did not follow the recommendation, why? So you are saying that HRS does not require us, but that we are in compliance with State law?

Mr. Spanski: Yes, Sir.

Council Chair Rapozo: That is fine with me. Councilmember Kagawa.

Councilmember Kagawa: Thank you, Dave. If you could just clarify, the yield at a depository is the interest rate that would be, I guess, the County will earn on a deposit?

Mr. Spanski: That is correct.

Councilmember Kagawa: So according to HRS, we need to keep track of the changing yields to make sure that we are complying if we want to put in more than sixty percent (60%) in one?

Mr. Spanski: Well, there is another caveat to the protection of public funds, which will be HRS 38-3, the bank must collateralize. They may have the highest deposit rate, but they may not want it covered. For example, if I have five million dollars (\$5,000,000) to invest and they are not going to cover the five million dollars (\$5,000,000) with an offset, that is in our name set aside in case they default. If they are only going to offer one million dollars (\$1,000,000), I can only put one million dollars (\$1,000,000) in there. Even though I have five million dollars (\$5,000,000), I am going to have to break it down to find something else to invest that money.

Councilmember Kagawa: So what you are saying is that even though a bank has the highest yield, they may not allow us to take advantage of that. They will only say you...

Mr. Spanski: That is correct.

Councilmember Kagawa: That is why sometimes it may seem that we are not taking advantage of the highest yield, but it is because we are not allowed to.

Mr. Spanski: For the protection of public funds, that is correct.

Councilmember Kagawa: I guess my next question is do we document when those instances happen. For instance, instead of putting in the whole five million dollars (\$5,000,000), we put in a one million dollars (\$1,000,000), do we document that "this would have been the highest yield, but we were only allowed..."

Mr. Spanski: No, I do not document that.

Councilmember Kagawa: So if we do get audited on that, we can go back?

Mr. Spanski: Yes, we have the history to go back.

Councilmember Kagawa: So we have documentation somewhere in the file?

Mr. Spanski: Sure.

Councilmember Kagawa: Okay. Thank you.

Council Chair Rapozo: To Dave's credit, the auditor did recognize that you were well aware of the law and that you were not in violation of the law. I just wanted to say that for the record. Thank you and we appreciate what you do. Any other questions for Finding 1? Finding 2 is related. It is just basically saying that we should be looking for the highest yield and I am just going to encapsulate that with Finding 1, because it is the same answers, unless anyone else has other questions. If not, thank you. We will go on to Finding 3, which is, "Cash receipts processing controls appears to be adequately designed at the locations we visited."

Mr. Shimonishi: Correct. This is at the finding, which was at the Transportation Agency where the Accounting Clerk was involved with the cash counting as well as preparing the deposits, so the auditor recommended the separation of that duty, which was, in fact, implemented and as responded to by our Executive on Transportation Celia Mahikoa, in a response that was dated July of 2012.

Council Chair Rapozo: So we do have the separation as recommended by the auditor.

Mr. Shimonishi: Yes.

Council Chair Rapozo: That was implemented subsequent to the audit.

Mr. Shimonishi: Correct.

Council Chair Rapozo: Any questions on that? Councilmember Kagawa.

Councilmember Kagawa: Normally when they find that kind of internal control, it may not be recommended...they do some testing. Do you know if any of that testing occurred to ensure that during that period we had the accountant doing both functions? Did the auditors dig a little deeper and do some testing to make sure that there were no mishandled cash?

Mr. Shimonishi: I am not aware of that and I would ask Celia if she was part of that process or not. I would suspect that the internal auditor would take that on, but I am not aware of it.

CELIA M. MAHIKOA, Executive on Transportation: Good morning. Celia Mahikoa with the Transportation Agency. To address your question, basically by trying to recall from memory, I do not know if there was additional testing that was done afterwards and I do not believe there was any documented for our purposes anyway, so I cannot provide you with a clear answer on that.

Councilmember Kagawa: I guess, Ken, if you can check if they did or not and get back to us later.

Mr. Shimonishi: Okay, we can look at that. Thank you.

Councilmember Kagawa: Thank you.

Council Chair Rapozo: Any other questions for the Administration? If not, thank you very much. For Finding 3, again, to the credit of the Administration, I will read exactly what the auditors wrote, "We are pleased to report that we found controls at each location to be adequately designed to ensure that cash receipts are properly safeguarded from initial points of collection through bank deposits." The only question or recommendation that the auditors had was that the person who counts the daily counts that does the counts is not the same person that makes the deposit, because if you have a bad person there, it is very simple to alter the count to match the deposit that may have been tampered with. But they did not find that, as we will make that clear, and that has been rectified. With that, I thank the Administration. Any other discussion? I will call for public testimony. Is anyone in the audience wishing to testify? Mr. Mickens.

Mr. Mickens: For the record, Glenn Mickens. I want to again thank Chair Rapozo for putting this Audit of Cash Management Practices on the agenda. The public needs to know about this audit and all the other seven (7) audits that were so well done. I would certainly be remiss if I did not thank our Auditor Ernie Pasion for not only his great work on this audit, but also on all the other audits that he and his staff did. Not enough good things could be said about the outstanding work that they did in their six (6) years of service for those who run our government and for the thousands of people who live here. The key, of course, will be to see that all of these audit recommendations are strictly adhered to and not put on a shelf to collect dust. Mel has certainly taken the primary step in

making sure that these audits see the light of day by getting them on the Council floor, where answers can be had where the public can see what is happening. The people who you just called up have answered these pretty well. I wrote some of these things before I heard their answers, but in this Cash Management Audit page 1, Summary of Findings, "The County Treasurer does not maintain written documentation designed to demonstrate ongoing compliance with Hawai'i Revised Statutes Section 38-2." Has this been corrected? If the answer is yes, who verified it? I presume they did say that it has been corrected at this time for the banks...you can use several banks to put the money in and get the highest yield, and I think they answered Ross' question. Two, the County could increase interest earnings on moneys on deposit with local banks..." We went over that. On page 2 of the Summary of Recommendations, "We recommend that management at the departments and agencies that we visited implement the minor suggestions for improvement in cash receipt processing controls that we noted during the course of this audit. In particular, we recommended that..." and I think you brought this up, Mel, and asked the question, "The Transportation Agency Accountant who assists with daily bus fare counts should not also be involved in the daily bank deposit process." To me, that would be a big conflict of interest. Was this done, as Ms. Mahikoa said it would be done on June 29, 2012, and if so, who verified it if it was done? Anyway, I appreciate having this come before you guys so that the public can have an idea of what is going on. Mostly all of the audits did say that the Chair and whoever concurred with what was going on. Again, you have to go ahead and verify it and make sure it was. Thank you, Mel.

Council Chair Rapozo: Thank you. Anyone else wishing to testify? Seeing none, I will call the meeting back to order. Further discussion? I just want to say that we spend a lot of money on these audits and I think it is important that the body holds the Administration at least accountable to responding to them and I think the public has a right to hear that. As we heard in Finding 1, our accountant was able to...yes, he did not follow what the recommendation was, but there is a justified reason and he is not in violation of the State law. As we know, Dave has been a great treasurer for us for many years and he is always seeking the highest yield and highest interest rate for us. I think it is important for the seven (7) of us here, as well as the general public, to know that the Administration and the Council is working together to find out what we can do to make it more efficient. That is just a small example of that. Any further discussion?

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to receive C 2015-186 for the record was then put, and unanimously carried.

Council Chair Rapozo: Next item, please.

COMMITTEE REPORTS:

PUBLIC WORKS / PARKS & RECREATION:

A report (No. CR-PWPR 2015-10) submitted by the Public Works / Parks & Recreation Committee, recommending that the following be Received for the Record:

"PWPR 2015-02 Communication (06/08/2015) from Committee Chair Kagawa, requesting the presence of the County Engineer and the

Environmental Services Management Engineer, to provide a briefing on the new hours of operation at all County refuse transfer stations and the rationale for the modification of operating hours,”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Yukimura.

Council Chair Rapozo: Councilmember Kagawa.

Councilmember Kagawa: Effective today, the new hours of the transfer stations has gone into place, so we will start hearing the satisfaction or dissatisfaction with the new hours. People who have watched the tape of the last meeting...there have been a lot of negative ones. I have not heard any positive ones yet as to what justifies our County being that we save workers by going to automated, what justifies us now by saving workers that we are now cutting hours? That is the primary point that the public is trying to make to me. It is very difficult to explain. Thank you, Chair.

Council Chair Rapozo: Thank you, Councilmember Kagawa. Any other discussion? I am disappointed as well. At the last meeting, I asked the Administration to hold off on the change until we could get more community input. Councilmember Yukimura sent over a communication as well, asking to hold off on the change until we answer some questions from the community and the Administration chose to go ahead with the change. Anyway, I believe it is going to affect the community's opportunity to throw their trash away. I am disappointed and we just have to wait and see what happens. I guess the bottom line is that we tried. At the end of the day, the Administration has the final say. Thank you. Next Committee Report, please.

The motion to approve CR-PWPR 2015-10 was then put, and unanimously carried.

PLANNING COMMITTEE:

A report (No. CR-PL 2015-13) submitted by the Planning Committee, recommending that the following be Approved Bill No. 2576, Draft 1 with amendments made to the South Kaula'i Community Plan Booklet (currently dated 2014) as referenced in Bill No. 2576, Draft 1:

“Bill No. 2576, Draft 1 – A BILL FOR AN ORDINANCE ESTABLISHING REGULATIONS, PROCEDURES, ZONING, DEVELOPMENT PLANS, AND FUTURE GROWTH AREAS FOR THE SOUTH KAUA'I PLANNING DISTRICT, AND ESTABLISHING EXCEPTIONS, MODIFICATIONS, AND ADDITIONS TO CHAPTER 8 AND CHAPTER 9, KAUA'I COUNTY CODE 1987, AS AMENDED,”

Councilmember Kualii moved for approval of the report, seconded by Councilmember Chock, and unanimously carried.

A report (No. CR-PL 2015-14) submitted by the Planning Committee, recommending that the following be Received for the Record:

“PL 2015-01 Communication (05/07/2015) from Council Chair Rapozo, requesting the presence of the Planning Director and the County Attorney, to

explain the process that occurs before and after the Public Access, Open Space, Natural Resources Preservation Fund Commission selects properties for acquisition, including a detailed summary of the Commission's current priorities; and the Eminent Domain process, and how it relates to the Commission's process and the acquisition of properties,"

Councilmember Yukimura moved for approval of the report, seconded by Councilmember Kualii, and unanimously carried.

COMMITTEE OF THE WHOLE:

A report (No. CR-COW 2015-07) submitted by the Committee of the Whole, recommending that the following be Approved as Amended:

"Resolution No. 2015-44, Draft 2 – RESOLUTION URGING HAWAII'S CONGRESSIONAL DELEGATION TO ADDRESS EXCESSIVE CAMPAIGN SPENDING BY PROPOSING AND PASSING AMENDMENTS CLARIFYING THAT CORPORATIONS ARE NOT PEOPLE WITH CONSTITUTIONAL RIGHTS, IN PARTICULAR ELECTORAL RIGHTS, AND THAT UNLIMITED CAMPAIGN SPENDING IS NOT FREE SPEECH,"

Councilmember Kualii moved for approval of the report, seconded by Councilmember Chock, and unanimously carried.

Council Chair Rapozo: Can we skip Resolution No. 2015-44, Draft 3, and go to Resolution No. 2015-50, please?

There being no objections, Resolution No. 2015-50 was taken out of the order.

RESOLUTIONS:

Resolution No. 2015-50 – RESOLUTION TO ESTABLISH A COUNTY MANAGER-COUNCIL SUB-COMMITTEE OF THE COMMITTEE OF THE WHOLE TO OBTAIN INFORMATION REGARDING THE COUNTY MANAGER-COUNCIL FORM OF MUNICIPAL GOVERNMENT: Councilmember Kualii moved for adoption of Resolution No. 2015-50, seconded by Councilmember Yukimura.

Council Chair Rapozo: Thank you. I am going to read it for the public who does not have the Resolution. It is a very brief resolution and it just basically sets up the Committee. I will read it:

"BE IT RESOLVED BY THE COUNCIL OF THE COUNTY OF KAUAI, STATE OF HAWAII:

SECTION 1. There is hereby established a County Manager-Council Sub-Committee of the Committee of the Whole.

SECTION 2. The purpose of the Sub-Committee will be to investigate and obtain information regarding the county manager-council form of municipal government.

SECTION 3. The Sub-Committee shall consist of Councilmember Mason K. Chock, Chair, and members Arryl Kaneshiro and KipuKai Kuali'i.

SECTION 4. The Sub-Committee's scope of work will be to investigate and gather information regarding:

- a. the various forms of county manager-council municipal government; and
- b. the costs and benefits of the mayor-council and county manager-council municipal government; and
- c. the feasibility of implementing a county manager-council system in the County of Kaua'i.

Each member of the Sub-Committee is authorized to obtain or caused to be obtained such information that will be presented as findings to be presented to the Committee of the Whole.

SECTION 5. The Sub-Committee shall report to the Committee of the Whole within six (6) months of the adoption of this Resolution.

SECTION 6. This Resolution shall take effect upon its approval."

That is what we are discussing today. With that, any discussion before we open it up for public testimony? Councilmember Yukimura.

Councilmember Yukimura: I just have a question. On the scope of work, the Committee will investigate and gather information regarding the various forms of county manager-council municipal government, and then the cost and benefits will be compared against the *status quo* or the existing system. Is that the intention?

Council Chair Rapozo: Correct, that is the intention.

Councilmember Yukimura: So each form of county manager that the Committee looks at or will they choose what perhaps looks like the most viable?

Council Chair Rapozo: Councilmember Chock can explain more. My direction was to evaluate all the different types of municipal government systems out there and to do an analysis of all of it, not so much to come with a recommended style or type, but to present the Council with the various types so that we can have further discussion of what is available out there and what the cost benefits are. Basically, what the pros and cons are on all the different styles, as well as what we have currently.

Councilmember Yukimura: So if it is determined that a county manager-council form is worthy of going to the point of a proposed ballot amendment, when will that proposed form be developed? When will the form of county manager-council be proposed specifically for this County?

Council Chair Rapozo: The deadline or the intent is, should this body decide that we want to pursue a charter amendment for this, we would hope that it would be done in time for the next election.

Councilmember Yukimura: Well, all I am identifying is that if this sub-committee is not going to develop a specific proposal for the County of Kaua'i, then it has to be done after the work of the sub-committee.

Council Chair Rapozo: Correct.

Councilmember Yukimura: It may be a group of hybrid systems. When will that be done and through what process? Will it just be several Councilmembers getting together outside of a posted meeting to put that together and propose an amendment?

Council Chair Rapozo: Once the recommendations from the Committee are made to this Council, then it becomes the Council's *kuleana*. At that point, the Council will utilize whatever resources with the County Attorney's Office to draft what is ultimately agreed upon by this body.

Councilmember Yukimura: Okay. So you just said that this sub-committee will make recommendations, whereas it is written to say that the sub-committee will just do fact finding.

Council Chair Rapozo: Right.

Councilmember Yukimura: Will the Committee also make recommendations?

Council Chair Rapozo: Yes.

Councilmember Yukimura: As to a specific system to propose?

Council Chair Rapozo: No, not a specific. They are going to provide us with a list of recommendations after going through the community process, what the Committee believes is viable for this County, then the Council will make the ultimate decision of what, if any, would move forward. That is my intent.

Councilmember Yukimura: So I guess my question is, will the Committee be making a recommendation as to a specific form of county manager-council government?

Council Chair Rapozo: I do not envision the Committee making a specific recommendation. I believe that the Committee will come up with several recommendations or recommendations of different options that the County has. I will let Councilmember Chock answer because he will be the Chair. Should this Resolution pass, then Councilmember Chock will take the lead and determine what happens. In a discussion that I have had with Councilmember Chock, it is really for the fact finding to come up with a list of options to this body and the body will ultimately make a decision of what direction we want to go or do not want to go. Councilmember Chock.

Councilmember Chock: Thank you, Chair. I think you said it correctly as far as I am seeing it as well, which is to come up with various recommendations and the direction that we can look at, and go as far as we can in terms of feasibility in some of those recommendations. I think it should be this body to make a determination, if there is an interest with moving forward in what is

presented, that there is much more work that needs to be done to determine how that would occur. I think this is the first step in terms of, again, like you said, fact finding and doing some research, and then providing the different options that we have before us and what they would entail. From there, my hope is that we have enough information to at least make an initial determination of the direction that we want to go, if we decide we want to go, and that there is much more work that needs to be done on the detailing of how that system would be implemented.

Councilmember Yukimura: You are seeing the Council as doing that work?

Councilmember Chock: That is a good question. I think it would be a task force as well. I do not know if it would be the same sub-committee. I would envision that we would need a lot more resources to complete the scope of work in that detail.

Councilmember Yukimura: Okay, because the Council will ultimately weigh in in approving a charter amendment to go onto the ballot. But that process of creating a specific proposal, which may take from the different forms that are studied, and create a hybrid. Depending on what we think would work for the island is another step, I think. I am clear then that it is a two (2) step process. One is a study of the different forms that are existing around the country: the pros and cons, and costs and benefits of those. Then the second step would be if it is deemed that the findings make it worthy to go further, to actually create a proposal of a specific system of county manager-council that would be proposed for a vote. With it would have to go a lot of legal assistance to figure out all of the amendments that would have to be made to the Charter.

Councilmember Chock: Someone just gave me a copy of the Charter and there are about seventy-three (73) references here that already have been outlined in terms of needing to be addressed. I do not know how that ended up here, but yes, there is lots of work to be done for sure. Thank you.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: This is a huge, huge undertaking.

Councilmember Yukimura: It is.

Council Chair Rapozo: If anyone thinks this is as simple as changing the word "mayor" to "county manager," then they are terribly mistaken. There are seventy-three (73) references just in the Charter. There is HRS, the County Code, and Administrative Rules. There is a ton of legislation, rules, and policies throughout the County and the State that references the Mayor. This is not as simple as cutting and pasting. Right now, this process is really to make a determination if, in fact, this Council believes that we should move forward. If this Council believes that we should move forward, JoAnn says a two (2) step process; the second step is really to get the Council to decide whether or not we are going to move forward. If we decide to move forward, I will tell you that there will be some costs involved because it is not as simple as swapping words. I have no doubt that if this Council believes that this is the direction that we want to go and get it on the ballot, I do not support putting it on the ballot, letting the people decide, and then figuring out how we are going to do it. The package is going to have to be complete. Do we have enough time? I do not know. It is going to be a stretch. This is the

time to do it because we have a mayor on his last term, so we are not going to disrupt the Mayor's term. As we go forward, should this Council believe that we are going to proceed, then I have no doubt that we would have to get some professional consulting help to move in that direction; obviously, utilizing the County Attorney's Office substantially to come up with a...really, I do not want to get ahead of myself because there is just too much that has to happen before that point, but my point is that it is a long process. It is changing the entire structure of government and something that deserves to get the time that is required. I am in no way, shape or form trying to push this thing and rush it. I guess that is my direction. Councilmember Yukimura.

Councilmember Yukimura: I am glad that we are not trying to rush it, because as you say, it is a major structural change. It is not just about technicalities of changing titles, as you said, Chair. Right now, so many of our department heads are appointed by commissions, so there are a lot of policy decisions that have to be made. I also want to point out that while the Mayor's term is ending, if we were to put a proposal on the ballot in the next election, it would apply to the following election, so you are still going to have to elect a mayor for the interim.

Council Chair Rapozo: No, we would not because the next election is not a mayor's race.

Councilmember Yukimura: That is right.

Council Chair Rapozo: It would give us two (2) years with Mayor Carvalho. This would not take effect until Mayor Carvalho's term ends, and that is when the change would occur.

Councilmember Yukimura: You are right. The timing is opportune to do this work now.

Council Chair Rapozo: The timing is right, but I just do not know if we have enough time.

Councilmember Yukimura: Right.

Council Chair Rapozo: That is the dilemma. Again, we are not going to rush this through because it is huge. It is definitely worth looking into. I think it is worth looking into at a time where there is no chance of a mayor losing his or her's opportunity to run for a second term. In the last two times, that is what the situation was and that really disrupted the process. In this case, we do not have that. We have an opportunity to actually give it the time that is necessary, give it the diligence that is necessary, and make the decision. I can tell you today that I do not know what way. I am open, but I just do not know enough of this process, this system, to make a determination today. This process, under Councilmember Chock's leadership, with the Finance Chair, as well as Intergovernmental Relations Chair, I think is a great recipe anyway to get out and get the information we need. Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. I referenced the University of Hawai'i's past presidents and athletic directors. I just want to make sure that we have a system in place that if the Council and the Mayor, who is sitting at the top, picks this person, that we are not left like how the University of

Hawai'i was left when they fired their previous athletic directors and were left with paying a huge payout. I am hoping that it works, as Ken, Glenn, and Walter convey that if the manager is not performing, that we can fire them, which I like that concept, but at what cost? Will there be this five hundred thousand dollar (\$500,000) or one million dollar (\$1,000,000) payout that needs to be made in order to attract somebody with the kind of credentials that they are looking for? By "they," I mean Ken, Glenn, and Walter, that can foresee making huge improvements to our County government. I just want to make sure that we look at that aspect as well. Thank you.

Council Chair Rapozo: Thank you. Go ahead, Councilmember Kualii.

Councilmember Kualii: Just quickly to piggyback on what Vice Chair Kagawa was saying, I saw that happen a couple of times when I was working in the City of West Hollywood. It is called "Golden Parachute." It can cost millions of dollars. To have that managerial ability to fire someone who is not performing is one thing at the top level, but for it to cost millions of dollars is not necessarily a good thing.

Council Chair Rapozo: That is what the Committee will be tasked with. I think Glenn, Ken, and Walter, and I believe Mr. Arruda, have experienced great systems with the county manager. I think if we went out and asked for solicited comments on county manager systems that failed, I think we would find a similar number of people. It is really what is best for Kaua'i? Councilmember Kagawa brings up a valid point; this position comes with a long-term contract and I do not know of any terminations nowadays of executives that do not come with a payout. But that is something that if we believe it is a better form of government, then we will accept and prepare for that. That is the Committee's responsibility. The pros, the cons, and the cost-benefit analysis will be done, and at some point, we have to make that decision. The gentleman that was here at the last meeting from SeaTac County was flabbergasted last week. I met with him after the meeting and he said, "I cannot believe that these guys came up here and could not answer the questions. You guys were asking them a question about numbers and they could not respond. We would have just sent them back and said come back in an hour with the numbers." I asked him, "Do you have a mayor system or city manager system?" He said, "We have a city manager system." I said, "That is the difference. We do not direct them." That is the benefit of this county manager system. This body would have that authority to demand. He said, "Of course that would never happen." Their council meetings are two (2) hours long, but it is different because they do not have that administration/council; it is the city manager. There are a lot of pros, benefits, and a lot of advantages and I am really anxious to see the Committee's report. I really am. We will see the con side as well. I am excited. I do not know if six (6) months is enough time, but I know that they will try their best. With that, is there any other discussion? With no objections, I will suspend the rules. Anyone in the audience wishing to testify?

Ms. Fountain-Tanigawa: Chair, we have registered speakers. The first registered speaker is Judge Alfred Laureta, followed by Jay Furfaro on behalf of Mayor Bernard Carvalho.

Council Chair Rapozo: Judge Laureta, please come up.

There being no objections, the rules were suspended.

JUDGE ALFRED LAURETA: Good morning, Members of the Council. I have to admit that I have to ask you folks a lot of questions. Number one, tell me how am I supposed to know when it is time for me to come up here and tell you that I am going to testify? I am listening to you folks going and I am reading the Resolution and I am waiting here. Are you waiting for testimony from those of us here who are prepared to testify or say something? Now, I kind of know that I have been told that it is time for me to come here and do what I am supposed to do. I have to admit that I am very, very familiar with what has happened during the course of the Charter Commission's efforts to try to get this thing together and to try to get some idea for the electorate here to decide whether or not the County of Kaua'i should do something about it. Let me make my proposal at this point in time. I am ready to make it very simple for most of you in going through what you may end up trying to end up with. My proposal is this: what is wrong with the County Charter? The County Charter that we have now provides for all the necessary things that we, the electorate, would like to see provided to us in terms of services and in terms of getting the government that we would like to see. The electorates are able to vote for the person they want to serve as their mayor. They want to elect the people who serve as their councilmembers. You, the Councilmembers, are the representatives of all of these one hundred thousand (100,000) people that we have here on Kaua'i.

Council Chair Rapozo: I will have to stop you there, Judge, because your time went up, but I asked them to put another minute. I will not count your opening questions to us because you are not familiar with our process here. As you were asking us those questions, I am asking staff not to count that against your time, because that was not testimony. You can proceed.

Mr. Laureta: Practically, what I am saying is number one, what is wrong with the County Charter? What is wrong with the people who are being elected to represent us on a county government? Why are you folks spending our money? Is that right? Are you spending our money wrongly? Are you not doing what you are supposed to do, for what we have elected you for? I have to admit that when there are seven (7) of you here, I will admit that I do not necessarily agree with all seven (7) of you. If I can get one (1) or two (2) or three (3) of you...if can I get four (4) of you to agree with me, by golly, I got a majority, and by golly, if I have the rest of the people that agree with me, they will agree with me and we will get what we need to do.

Council Chair Rapozo: Judge, I am going to have to stop you there because your time is up. You can come back.

Mr. Laureta: I will come back.

Council Chair Rapozo: Okay. Thank you very much.

Mr. Laureta: Anyway, what is wrong with the County Charter? That is the main thing that I want to get straightened out. Thank you.

Ms. Fountain-Tanigawa: The next speaker is Jay Furfaro on behalf of Mayor Bernard P. Carvalho.

JAY FURFARO, Office of Boards and Commissions Administrator: Good morning everyone. Jay Furfaro. I am the Administrator of Boards and

Commissions. Mr. Chairman, it may be a time where if my time has run out, I will come back at the end, if I can, because I have some additional information that my Office composed for the Committee, going over the twelve (12) year history of this process. I am here to read on behalf of the Mayor, who is in Honolulu and could not be here today, his testimony. I would like to submit it as such. The Mayor states, "I would like to submit testimony against the adoption of Resolution No. 2015-50 for the establishment of a County Manager-Council Sub-Committee of the Committee of the Whole to obtain information regarding the County Manager-Council form of municipal government accordingly. In 2009 and 2010, the Kaua'i County Charter Review Commission formed a Special Committee on County Governance pursuant to Section 92-2.5 of HRS and Rule 6 of the Kaua'i County Charter Review Commission. Their scope was to consider possible amendments to the charter relating to the establishing of a County Manager. The Committee did research and arranged for experts to present information about the County/City Manager and other appropriate methods of governance. Various community meetings were held throughout the island," as I was in attendance with a couple of them, along with Councilmember Yukimura. "A tabulation of those for and against the County Manager-Council form of government was documented in a report. The report was submitted to the entire Charter Review Commission on June 28, 2010, by the Special Committee of County governance. The Committee unanimously voted to recommend against placing a measure for a Council-Manager form of government on the 2010 General Election ballot. The Committee recommended that adoption of the report, and further recommended that the issue of a Council-Manager form of government be postponed indefinitely. The County has already spent an enormous amount of work..." May I finish the Mayor's letter, please?

Council Chair Rapozo: Mr. Furfaro, you are here for the Mayor, so the Mayor is not the general public. We look at the Mayor as a resource person, so I would ask that you complete your testimony here and we will finish up on the public testimony, and then have you come back again as the Administration so that you are not bound by the time limit.

Mr. Furfaro: I appreciate that courtesy and I, in the past, have interpreted the rules the same way. Thank you, Mr. Chairman.

Council Chair Rapozo: Yes, you are the Administration. Please proceed. Thank you.

Mr. Furfaro: "The County has already spent an enormous amount of work on this issue through the Office of Boards and Commissions. During the process, members of the Citizens Ad Hoc Committee for a County Manager System, Glenn Mickens, Ken Taylor, Walter Lewis, and Rich Hoepfner, provided valuable assistance in the deliberations including a list of proposed changes to the Charter. One of the main reasons the proposal lacked support was due to the issue on whether or not the proposed council-county manager form of government was legal. The Office of the County Attorney issued an opinion stating that it is not legal under the Hawai'i State Constitution and the General laws of the State of Hawai'i." I have attached the opinion to the testimony that was passed out to you, as well as the complete report on the September 2010 Commissions summary. "Based on the documents that I have included in this testimony, this form of government is both illegal and adverse in many rights and freedoms of the people of Kaua'i. As Mayor of Kaua'i, I humbly request that you receive this Resolution for no further movement. Sincerely, Bernard Carvalho, Mayor of the County of Kaua'i." As I stated, I have other pieces that I have put together from my

office that I can come back for, but attached you have the legal opinion, as well as the written summary recommendation from the 2010 Charter Review Commission.

Council Chair Rapozo: Thank you. I would ask that we finish up with the public testimony and have you come back up.

Mr. Furfaro: Thank you very much, Mr. Chair.

Ms. Fountain-Tanigawa: The next speaker is Matthew Bernabe, followed by Ken Taylor.

MATTHEW BERNABE: Matt Bernabe, for the record. I am against a county manager for several reasons. One of them is that I think there is a cheaper way to fix Kaua'i's problem by just inserting language that makes it mandatory for all department heads to professionally have a criteria met before they can hold that job. I think that would be a lot smarter than going and rebooting the whole process. Also, every time I look at a county manager, there is about the same ratio of corruption versus a mayor-run county, and then the part that really does not sit well with me is that a majority of the counties that do have successful managers turn out to be a corporate town. It is not always the case. I am going to go against my own testimony here. Last week, I met a gentleman who was here; you all saw him, too; he was a Councilmember from Washington State. He claims that his county is not run by corporations and that there are checks and balances for some of the other issues I have, like the one I am about to mention. If you set criteria to be a county manager, a "regular Joe" like me is out of the loop of aspiring to run for that office. You say, "Oh, well, the mayor will be the head of the council. He will be the seventh man." That does not sit well with me either because we pay the Mayor more than we pay the Chair. If we are trying to be economic here, let us just keep the Council as is and the manager, but I do not want the manager. I think it is getting away from the democratic process. If you only have an economic base mentality running the County, that is all we are really going to have. We need that, but there are other tangibles that are involved with running a county, a state, or the nation. I was a little relieved to hear that there are some examples out there. The gentleman last week...I met him, but I cannot think of his name. He said his county was run by a manager, and I have his card, so I am going to call him because I want to do more research about his county, because the ones that I look up are scary if they are good and they are scary if they are bad. I just want to keep it with the democratic process. I will come back if I have more time.

Council Chair Rapozo: Thank you, Mr. Bernabe.

Ms. Fountain-Tanigawa: The next speaker is Ken Taylor, followed by Joe Rosa.

KEN TAYLOR: Good morning, Chair and Members of the Council. My name is Ken Taylor. I am very much in support of Resolution No. 2015-50. I think you have an obligation to the community to give them an opportunity to make a decision as to how they would like to be governed. I find it interesting in this letter from the Mayor where he talks about the activity that took place in 2009 and 2010, where there were community meetings around the island by the Committee that was put forth by the Charter Review Commission. Each of those committee meetings, which I went to all of, was stacked heavily with County Department Heads and vice heads, and all speaking in opposition to the issue. It was not hard to believe what was going on and why it was going on. I

think at this point in time, it is important to look at the structure and how it would benefit the community, not only financially, but accountability wise as well. Something we do not have—I hear a lot about checks and balances and I see no checks and balances. It is absolutely ridiculous what is going on under this current system. Tweaking it here and there, just like after the 2010 activity; we got a name change to the Mayor's Director of Operations, which does nothing. Name changes here and there have no meaning. I think it is really important that your sub-committee move forward, take care of this, and get it before the vote of the people. Thank you.

Council Chair Rapozo: Thank you.

Ms. Fountain-Tanigawa: The next speaker is Joe Rosa.

JOE ROSA: Good morning, Members of the Council. For the record, Joe Rosa. I have been hearing this County management thing and the Mayor's system...I do not know. I can go back to the last Administration up to the present Administration and there is no accountability. The lack of efficient department heads in the departments that are causing all kind of chaos financially with the county system. There are so many liability suits against County. Why? It comes down to one word: management; it is lacking management. All of these things here can be done by the average person who knows a little bit about business or conducting a department or running a department. We have people that come before the County Council here and give testimony, yet it goes unheard. It seems like the public is wasting their time like I always hear people say, "Why are you going to give testimony? They do not listen to you. Everything is clean cut and dry; it is set." Well, sometimes it seems that way, but we need something, like I say, accountability, and get down to good, basic facts as far as the needs. What are the top priorities? I heard priorities from the past Administration come in. The top priority is our infrastructure. What do they do for infrastructure? A bikepath. That sets everything back. Then there are liability suits against the department heads. It seems like they do not know what they are doing. Why are there all of these liability suits? It shows that there is inefficiency, as far as department heads being capable of qualifying for positions. It is a "buddy-buddy" system that gets people a job that are not doing accountable work. When I first voted, I voted for the County Clerk, County Treasurer, and County Auditor, and those people perform their work day in and day out, but now it is who you know gets appointed to a position and they do not seem to be accountable. At times, I have seen people jump the Administration. Why? Nothing is known, nothing is said, and nothing goes to court. There are a lot of things that are going on behind closed doors and what goes behind closed doors is a destruction of democracy. That is what is going on. We need something. We need a change. Give it a change. Give it a try. If it does not work, go back to the old system, if it does work again. We need people to be held accountable, like I always often stress: accountability.

Council Chair Rapozo: Mr. Rosa, the red light is on.

Mr. Rosa: I see it. Like I said, we need something. Give it a change and look at it and I think it might be for the good. It is not a guarantee. In life, everything is not a guarantee. Thank you.

Council Chair Rapozo: Thank you.

Ms. Fountain-Tanigawa: That was our last registered speaker.

Council Chair Rapozo:
back up?

Okay. Judge Laureta, did you want to come

Mr. Laureta: I apologize for coming up here for the second time and practically repeating what I just said the first time when I talked about you folks having a job now and you formed the Committee for something. Something is supposed to be happening, which means that you will have to show us something or show the electorate where we are going to end up with something for you folks that you can chew on. They may come up with a report that says, "Look, we do not need a manager system for the County." The people that we elect to become mayor, senator, and representatives on the council...you are representatives of the people who elect you. They are the ones who can come to you and say, "Councilmember Yukimura, I would like you to do something about these roads and so on." Maybe you can talk to the manager who manages the roads. They can come and talk to any one of you and if you listen to what they are talking about, they want something for to you do for them and you think it is something that you should be doing or we can do for them, you will do it. You are the representatives that the people want for them. We have a government system that elects the people. We have a government system that tells you how to spend the revenue of the County. By golly, because you put your heads together and say, "We cannot do this or we can do this, but we have priorities for certain things. We should cut the bushes in the back of Mr. Rosa's house, but by golly, we used the money to patch up some other road." I have a copy of the petition last year that was submitted to the Charter Review Commission and it shows how many people signed the petition. They are against a manager system.

Council Chair Rapozo:
The time is up.

Judge, I am sorry, but I have to cut you off.

Mr. Laureta:
the records of the Charter Commission.

I assume that you have the copies of all of

Council Chair Rapozo:
Section.

I believe we probably do in our Records

Mr. Laureta: Good, if you have that, I am sure you will go through whatever I may have testified to. It is all in there. I would also like to submit to you for your consideration...

Council Chair Rapozo:
staff, we can make copies.

Judge, if you could just provide that to our

Mr. Laureta:
stuff.

Okay. Let me just see if I can find all of my

Council Chair Rapozo: Unfortunately, I do have to cut you off, Judge, because of the time limit. Thank you, Judge. Anyone else wishing to speak for the second time?

Mr. Bernabe: Matt Bernabe, for the record. As I was trying to allude to earlier, I think changing to a manager is just another form of name change to me.

Council Chair Rapozo: Hold on. Yvette, can you take Judge Laureta into the Executive Chambers to gather his papers? Thank you. Please continue, Matt.

Mr. Bernabe: As I was saying earlier, I think we have not exhausted all of the avenues to make a better system under the current way we run things, the original way of running it with the Mayor. I think if we strengthen up some of the language and some of the duties, there has to be a way to create a system that you have to hire the best guy for Parks or whatever division it is. Whoever is the head of that should have the criteria, regulatory language, right? To me, changing over to a manager is just another form of name changing, as they pointed out there against. I do not see any difference. I see a lot of money being wasted. How much are we going to have to hire this manager? Two hundred thousand dollars (\$200,000) to be competitive? Two hundred fifty thousand dollars (\$250,000)? We are talking about going out and attracting the top tier guys, who just came out of college. They are not police officers where they do not owe a cent coming out of school. They owe big dollars coming out of law school. We had this discussion last time. We are going put a mayor for one hundred thousand dollars (\$100,000) plus, hire a manager, plus all of the money that is going to be spent to get converted over: the hours, all of the researcher, the lawyers, and everybody; whereas we just dissect the current system and make it stronger. That is what this needs, another forty-eight (48) cram session. It is like college days, even though I did not go to college as a kid. I am just saying that I think we are going and stepping way too far out when there are a few steps right in front of us. I do not see why we cannot just make laws, resolutions, bills, or whatever you guys want to call them that say, "If you are going to run this department, you have to have this amount of education and experience." You cannot be a cousin from down the road. You cannot be this person's friend or not because we were drinking the other night I am going to hire you. Is that what we are talking about here? Are we going to be extreme and hire a manager for big dollars? The process will be big dollars. Just because a few individuals do not like who gets voted in? We are also talking about, "Hey, voters, we do not like what you voted. You are not smart enough to vote the right guy, so we are going to change the system and get somebody that we like that represents our community." I am sorry I am against it.

Council Chair Rapozo: Do not apologize. We have a question for you. Remember, this is just the Resolution to create a fact finding group. This is not a Resolution to put this on the ballot.

Mr. Bernabe: I want to be on that group.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Matt, do you support the process of a sub-committee and doing fact finding?

Mr. Bernabe: I totally support the sub-committee. I am sorry if I am leaping ahead. I think it should be scratched though, honestly. I think the refocus should be that the sub-committee should be meeting on looking at existing language in our bylaws or what it is called, the constitution or whatever dictates how we hire and run the show, and microscopically look at all of the words and identify things that we can change to make it stronger.

Councilmember Yukimura: So you are saying keep the existing structure, but tweak it to give more accountability.

Mr. Bernabe: Take out the loopholes.

Councilmember Yukimura: Okay. You talked about spending big money for qualified managers. If a new system that requires spending big money for qualified managers prevents three million dollar (\$3,000,000) managerial mistakes, would that be worth it?

Mr. Bernabe: It would, but that equation is false. I am a mathematical guy. If you do it that way, you have to compare it to the cost analysis of just tweaking the system to make it stronger. If you have a ratio like that and the ratio is still better for the manager, I am on, but I do not think that is going to happen. I think you will find out that when you micro-breakdown all of the language and you identify where this language was inserted for the specific reason—remember, we are still in the shadow of plantation-run Kaua'i. This government was run by the plantations for many, many years before all of you folks. We are still exiting the one hundred (100) year plan. What I am telling you is that if you want to word it like that, then you have to word it like this: "Is it cheaper to go and look at the existing structure, retrofit it with the right words so that we safeguard ourselves as a society, a community, and all of what is entitled or however you want to word it, versus going out, expending the money that it is going to cost to do the research, then the money to actually implement, and then you tell me what you save. I am just going to go out on a limb. I bet you my way is better. I run my house. I owe money for mortgage and stuff, but I do not have any outstanding debts. I survived very poorly through the recession. Sometimes you have to ask the poor how we survived so that you guys can run your budget better.

Council Chair Rapozo: Okay, bring it back in.

Mr. Bernabe: Okay, I am bringing it back in. My point is that you have to do smarter thinking at home, so you have to do smarter thinking in the County.

Councilmember Yukimura: I think your basic point is correct. We need to compare a modified or existing system.

Mr. Bernabe: I will bet you money that the money is cheaper retrofitting the existing system.

Councilmember Yukimura: Thank you.

Council Chair Rapozo: Thank you, Matt. Anyone else wishing to speak a second time? Ken.

Mr. Taylor: Chair and Members of the Council, my name is Ken Taylor. One of the things that is really important for the Committee to move forward with is that there are examples of individuals here on the island that were not only born and raised here, but got educated, went off to the mainland, worked under this system for thirty (30) plus years, and they are available for getting information from. I think it would be very beneficial and I know there is a gentleman here in the room today that you should get his contact information so that when you have your committee meetings, you can discuss with him some of the

benefits of this. Like I say, there are a number of other individuals on the island that have worked under this system for a long time and I am sure they would also be helpful in moving forward with gathering information. Also, I have been informed that there is a professor at the University of San Diego that does consulting work in this field all over and possibly would be another good contact for information, where it would be helpful in putting your packets together. I do hope that will you move forward with approving this Resolution and I look forward to helping any way I can to gather information and move it forward. Thank you.

Council Chair Rapozo: Thank you. Anyone else wishing to testify for a second time? If not, Mr. Furfaro.

Mr. Furfaro: Sorry about that. I just got the cast and sling removed from my arm and it is not as stable as I would like it to be. Thank you, Mr. Chairman, for having me back. I want to share some additional correspondence with you, but more importantly, as the Mayor has stated his position as not being in favor of pursuing this, I do want to tell you there has been almost twelve (12) years of discussion on this, so I have laid out for you kind of a chronological listing of events going back to 2003, making reference to both the 2009 and the 2010 Charter Review in a way that you can see the core questions that were raised as to the pros and cons and how the Boards and Commissions came to their conclusion not to pursue it any further at that time. I also put in the most subjective questions that came up from the public as it relates to, and I heard you talk about it earlier, employment contract for this particular person, a parachute clause. In strengthening this position is what I am hearing the tone is, but at the same time, I think you need to look at some of the things that are not strengthened right now for the current Mayor's procedure. For example, the Department of Water, which is one of the major utilities for the County of Kaua'i—we have had discussion on this before. It is actually part of the County of Kaua'i, but yet it is not part of the County of Kaua'i. It stands almost "semi-independent." There are ways to look at those situations and say if you want to strengthen the ability of the chief executive of the County of Kaua'i, then maybe you should be looking at some of those things where at one time when I was a member of your body, along with Mr. Asing, we strongly looked at pulling in the Department of Water to have closer accountability. So you might want to also consider the fact that our Mayor's system is not a system that puts the Mayor in the strongest administrative role because they are dealing with Planning and Water, kind of as a semiautonomous group. I see Councilmember Yukimura shaking her head and acknowledging that, but you have those hurdles that exist in the present Charter that does not necessarily say that we have a very strong mayoral system, and one of the options here is maybe to strengthen that. I also want to say that as a Council, and a "checks and balances," that was raised today as well, but you have situations...this County over the years in working with the Administration, especially since this question has been going on most of my time on the Council over twelve (12) plus years. We have worked out through the financial accountability, the employee retirement system, making the County of Kaua'i whole in the next twenty-one (21) years that we have funded our total liability with having a joint plan that was done by the Mayor, his staff, and the County Council. There are a few good things that are out there that perhaps we sometimes do not recognize, but more importantly, in this role, which this Council acknowledged to create, I want you to know that although my testimony does not favor working through getting this as a voted item, there needs to be a discussion. You are setting up a sub-committee of three (3), as I understand. I want to make sure that you also know that I am the keeper of all of the documents over the last twelve (12) years, dealing with public testimony and records as to how we got to this

point. Therefore, as the Administrator of Boards and Commissions to the three (3) member Committee, please look at my office as a resource as you study these particular issues. Again, that was the reason that I summarized through these bullet points some of the things that have transpired over those reviews. Although I want to reiterate, I am delivering the Mayor's message. There is another option here about strengthening the decision-making process in the current system that allows the Mayor to be more of a Chief Executive Officer (CEO) of all subdivisions of the County, because right now, we do not really have a strong mayor system either. Mr. Chairman, my office is available and my staff has well-documented amounts of testimony. I think this piece here summarizes what those concerns were over those two (2) citizens' meetings. Thank you very much for giving me the time.

Council Chair Rapozo: Thank you very much. Any questions for Mr. Furfaro? If not, thank you very much and we appreciate you being here and taking the time.

Mr. Furfaro: Okay. I will make sure that when I pull myself up here, I do not lean on this arm. Thank you.

Council Chair Rapozo: Yes, be careful. We will call the meeting back to order. Any further discussion? No discussion? I already asked for testimony and I said that after the public testimony was going to be done, we would call up the Administration as a resource person. Who wants to testify? I will suspend the rules with no objections. You may come up.

LARRY ARRUDA: My name is Larry Arruda. I have obviously been kind of roped into this. I worked for a city in California for thirty (30) years under a city manager system and during the thirty (30) years there were two (2) city managers. I had problems with the way the city was run, even under the city manager system there, but after coming back here and seeing how the system here was working with the council and mayor system, I saw the excessive extreme difference between the two. I could not get over the lack of accountability in this system, the lack of transparency, the lack of efficiency, and the lack of continuity, which is the main thing. I think Mr. Rapozo mentioned earlier about the change in the hours for the trash collection or the disposals. I do not think that kind of thing would happen under a county manager type of system; that is one thing. It was mentioned earlier that there is a lot of different types of options of county manager systems, and the pros and cons of the different systems. I do not think we necessarily have to set our sights on one specific option, as much as you pick a certain option and then tailor it to fit the County. That is something that has to be continuously worked on all the time by the county manager and by the council. The city I worked for, every division manager and department manager had two (2) books in their office: one book was the council policies and the other book was the administrative regulations. There was not a week that went by that there was not always some revisions to the council policies—always. This was a continuous thing: changing policies and adding new policies. It is a continuing business. It goes on and on. Failed systems under the city manager or county manager system...I am sure there have been a lot of them. I would not go back to the city that I worked for now. I retired from there thirteen (13) years ago and there is no way that I would go back and work for that city. What happened in that city recently within the last five (5) or six (6) years—the people in the city have decided to elect more business-oriented people on the council, and the council has chosen to run that city more like a private corporation rather than a government agency, to the point where they have renamed their city manager...

Council Chair Rapozo: Your three (3) minutes are up, but I do not think there is anybody else who wants to testify. Please continue.

Mr. Arruda: They have changed things to the point where they change the name of the city manager; he is now called the "CEO" of the city. This is how commercial it has gotten. I am not one hundred percent (100%) convinced that a county manager system would work for Kaua'i. I think a mayor system or a county manager system depends on where it is at, but I think it is something that needs to be looked at here, mainly because as I mentioned earlier, the lack of continuity, accountability, transparency, and efficiency. That is something that needs to be looked at. I worked for the city for thirty (30) years. I was in a management position for about half of that. Therefore, I was involved with management, with the city manager system, and with the council. I will offer my services if anybody has any questions about it. I do have some experience at it and I am willing to answer any questions for the Committee, but I definitely think that a Committee is necessary. Again, I am not convinced that a county manager system will work for this county, but I think it is something that needs to be looked at.

Council Chair Rapozo: Thank you. Councilmember Kagawa.

Councilmember Kagawa: Larry, thank you for your testimony and for sharing your experience. What city was this in California?

Mr. Arruda: The City of Costa Mesa, down in Orange County.

Councilmember Kagawa: You said in about the thirty (30) years that you served for the city there that there were two (2) county managers.

Mr. Arruda: Two (2) city managers.

Councilmember Kagawa: Two (2) city managers. Did they have fifteen (15) years each?

Mr. Arruda: No, I think the first one retired after I was there for about eight (8) years.

Councilmember Kagawa: And the other one served...

Mr. Arruda: For the rest of the time.

Councilmember Kagawa: For the one that served eight (8) years, did he just retire?

Mr. Arruda: He retired.

Councilmember Kagawa: Okay. So in that time, you did not see any manager being fired for lack of performance?

Mr. Arruda: No.

Councilmember Kagawa: Are the department heads different from the department heads that we have now? Does the city manager appoint the department heads?

Mr. Arruda: That is correct.

Councilmember Kagawa: If they fail to perform, the city manager would, I guess, take consequences on them, fire them, discipline them, or what have you.

Mr. Arruda: That is correct.

Councilmember Kagawa: Thank you.

Mr. Arruda: That goes on down the line also. The department head is going to hire people in his department that are going to be accountable to him because he knows his head is on the chopping block with the city manager, and it goes all the way up.

Councilmember Kagawa: So it is like a private business as far as management?

Mr. Arruda: In that sense, yes.

Councilmember Kagawa: Thank you.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Thank you, Mr. Arruda. So you said each manager had two (2) books, which one was council policy. What was the other one?

Mr. Arruda: Administrative regulations.

Councilmember Yukimura: Okay.

Mr. Arruda: Those were regulations that were set by the city manager.

Councilmember Yukimura: Right, which would implement the council policies, but would be more detailed and would be managerial in its nature?

Mr. Arruda: Right. Each book was about four (4) inches thick.

Councilmember Yukimura: Okay. Thank you.

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: Mr. Arruda, thank you for your testimony. Can we just make sure that we get your contact information so that we might be able to communicate with you moving forward?

Mr. Arruda: Sure.

Councilmember Chock: I just have a broad sweeping question here, because I agree with a lot of testimony that is coming forward in terms of maybe there is an in between here, but there is certainly that need that we want to address. In your experience with the two (2) systems that you have been a part of and seen, do you think that there is a way to maybe create a hybrid or address the issues as some have mentioned earlier in the current system or is it a system change that you think is necessary?

Mr. Arruda: No, I think there is a possibility of changing the existing system.

Councilmember Chock: Okay. We will talk more. Thank you.

Mr. Arruda: Sure.

Council Chair Rapozo: Councilmember Hooser. Hold on. You opened yourself up, Mr. Arruda, and now you are going to get bombarded.

Councilmember Hooser: Mr. Arruda, thank you for talking about your experience. You mentioned continuity, so what I think that means is that the managers or department heads are not changing at every election. Is that correct?

Mr. Arruda: That is part of it, but not the main point.

Councilmember Hooser: Okay. What is the main point?

Mr. Arruda: I will use an example. I used to own and run a vacation rental in Po'ipū Beach, and years ago the Council adopted a policy or an ordinance that required all vacation rentals to be registered with the County, get permitted, and all of that. I think I was one of the first people in Planning getting that taken care of. I followed the whole routine from the very beginning from when that thing first started. When I went to sign up in Planning, I was sent back and forth between Real Property and Planning, and then back to Planning and they told me that now I am going to have to hire an architect to check out my house and draw plans for my house to show that I have not made any illegal changes or whatever to it. I told the guy, "You have my plans. You have my as-built right there." Well, that particular requirement was never discussed by the Council. This is just something that the Administration decided that rather than they have a person get away from his desk and go out there and inspect the house himself and look at as-built plan and see if there were any changes, they put it back on the owner of the property to go hire an architect and pay like one thousand five hundred dollars (\$1,500) for an architect to say that, "Yes, the house is still the way it was built, per the as-built." Now that was not part of the deal that the County Council adopted, but yet the Administration...there is one lack of continuity. All of a sudden, they are making their own regulations on top of the ordinances that the Council passes.

Councilmember Hooser: Okay. Thank you. The way the appointments work—so the county manager would hire department heads, if you would?

Mr. Arruda: Yes.

Councilmember Hooser: And they would hire theirs? They basically stay in those positions unless they are promoted or fired, I suppose. They do not change. With our elected Mayor, for example, a new mayor is elected and then a large number, if not the majority, of the department heads would change. In that system, your system, that did not happen. Is that correct?

Mr. Arruda: That is correct.

Councilmember Hooser: You were in management. Were you appointed or hired by a county manager?

Mr. Arruda: I started from the bottom in engineering and worked my way up to a division manager.

Councilmember Hooser: Okay. Can you speak for a moment on how this relates to the collective bargaining process or to the government employees below? Is there any particular additional issues?

Mr. Arruda: During my thirty (30) years, there was only a short period of time where the employees were actually connected to any kind of union. Other than that, it was just an employees association and they pretty much stuck to themselves when they realized that paying union dues did not do them any good.

Councilmember Hooser: Okay. Thank you very much.

Council Chair Rapozo: Thank you. Councilmember Kualii.

Councilmember Kualii: Thank you for being here. So you kind of started with saying that you had this experience and that you did not really like how it was run, but then you also said that it is even worse here because of all of these different reasons like the lack of transparency, lack of accountability, lack of continuity, and all of those different things. When you think about that this city manager in Costa Mesa...actually, the only turnover happened when the first one retired, and then other one was there for twenty-two (22) years when you left. Do you know if that city manager is still there, because it would be another ten (10) to fifteen (15) years?

Mr. Arruda: No, he retired.

Councilmember Kualii: So a retiree again. How many members were there on the council?

Mr. Arruda: Five (5).

Councilmember Kualii: Just five (5)?

Mr. Arruda: Yes.

Councilmember Kualii: So really, that city manager, if he kept a good relationship with at least three (3) of them on the council, he could have his job forever, regardless of how he performed?

Mr. Arruda: That is pretty much it, yes. I saw department heads that were let go because three (3) of the councilmembers did not care for that department head. So we are talking about how people get appointed, even though they are not qualified here as department heads or in any position, which that happens under a city manager or county manager system also because a councilmember can force the city manager to hire his cousin or whatever. So it happens on both sides, but it is up to the people out there, the voters, to keep an eye on things like that. Every time we talk about city manager systems, the issue of the City of Bell, California, comes up, a few years ago and how that was ridiculous. All of the councilmembers were getting one million dollars (\$1,000,000) and the city manager was getting...this was because the people were asleep. They were not watching or paying attention to what was going on. You know that happens here. What is the percentage of the people that get up and vote on this island? Of course, it is happening through the whole country, really.

Councilmember Kualii: Thank you so much. We will be talking with you more.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Mr. Arruda, do you feel that also the strength of ethics laws are also part of the system that either works or does not work?

Mr. Arruda: Could you repeat that?

Councilmember Yukimura: Ethics laws. You are talking about political pressure to do something instead of allowing managers to do the right thing, the right hiring, and that sort of thing. Do ethics laws and the strengths or weakness of ethics laws play a part in how the system functions or does not function?

Mr. Arruda: I think it does with the enforcement of it.

Councilmember Yukimura: First you need strong laws and then you need to enforce them.

Mr. Arruda: Right. I think we have the laws in place. I just think that some of it may be the enforcement is somewhat lacking.

Councilmember Yukimura: Okay. Thank you.

Council Chair Rapozo: Thank you. Any other questions for Mr. Arruda? If not, thank you very much. We have to take a caption break at this time for ten (10) minutes. We will take a ten (10) minute caption break and return with further discussion. Thank you.

There being no objections, meeting recessed at 10:26 a.m.

The meeting reconvened at 10:38, and proceeded as follows:

Council Chair Rapozo: The meeting is called back to order. We are on Resolution No. 2015-50. Is there any further discussion? Councilmember Chock.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Chock: Thank you, Chair. I just wanted to thank everyone for the opportunity to have this discussion. I find it really valuable when we are talking about some of the core needs of our County, and I am looking forward to continuing to support this, mostly as a way to hold a “carrot” above us, in terms of the needs that we have. My goal is to get to some of the root causes that we are suffering from and I see this as an avenue and excuse for us to discuss, continue to look, and approve upon. It does not matter to me if a discussion comes up about the system. I think it is absolutely true that whatever system we decide, we really need to make it work for us. I think that is it worth looking into and I want to thank you folks for having the conversation.

Council Chair Rapozo: Thank you, Councilmember Chock.
Councilmember Hooser.

Councilmember Hooser: I am going to be supporting this and I want to thank the folks who have come out today to testify, especially Mr. Arruda and Judge Laureta, particularly; everyone else, too, but especially those two (2) individuals. They both, for me, stimulated additional thought in my brain. I think Judge Laureta raised a very good point and I am hoping that the Committee will address this: “What is wrong now? What is broken?” Then we can look at how to fix those parts. We do have a system where people elect the mayor and the councilmembers and I think part of what is broken was brought up earlier that the people taking ownership of their elections and participating in the process; both as candidates, as well as people who vote. So to the millions of people watching, I would encourage them to get more engaged in that, to both engage in communicating with their elected people, people like ourselves, but also engage in actually the elected process itself, running for office and participating. We need that to keep our system healthy and strong. Mr. Arruda, particularly with your experience, I appreciate that and the issue of continuity. I think it is important. We do not have a new person running a department every couple of years, new policies, and new administrative directives that just constantly change over time. I think that certainly resonates with me, as well as the transparency issue where the Administration chooses to be transparent or not. I am open to the discussion and looking for ways that we can make it better. I think at the end of the day, that is what we need do, which is find ways to make our system work better. Thank you.

Council Chair Rapozo: Thank you, Councilmember Hooser. Anyone else? Councilmember Yukimura.

Councilmember Yukimura: I think I will be voting for the Resolution. I think it is a worthwhile conversation to have and it is about government working better. I liked the parameters that Mr. Arruda raised like lack of accountability, transparency, continuity, and efficiency. Those are all major issues of governance and whether we find it through a fundamental change in the structure of our system, or in tweaking or retrofitting, as Mr. Bernabe has said, our existing system, we need to do that and we need to improve in all of these areas so that we can serve our people better.

Council Chair Rapozo: Thank you. Councilmember Kualii.

Councilmember Kualii: I, too, am in support and I do appreciate all of the testimony. It has brought ideas for me going forward. Judge Laureta's comments about what is wrong now and Mr. Arruda's comments as well makes me think about...I do not think we would ever have a problem of too much citizen engagement and participation. For everyone out there, the existing system can be improved if we have more of you engaging and participating. It is not just about voting, because we need you to do more than vote. We need you to participate by supporting candidates for office, helping find and put forward candidates, if you will, but also running for office yourself. Elections matter in the sense of how engaged and how much you play a role in that. As it is now, every two (2) years for the Council, you get to change the makeup of the Council, and with the Mayor, every four (4) years. After eight (8) years, if you were very unhappy with that Mayor, he is going to go away. Potentially with a new system, you can only change the city manager if you can get four (4) votes on the Council and it may not be so easy to get four (4) people elected. There are all of these things to look at. There will be a lot to look at. I appreciate the chance to collect all of this information and work with Chair Chock, Councilmember Kaneshiro, and all the citizens who are going to step forward in the next six (6) months and provide their input and information. Thank you.

Council Chair Rapozo:

Councilmember Kagawa.

Councilmember Kagawa: Thank you. I would like to thank Mr. Arruda for sharing what he had, having experienced working and living under the city manager there in Costa Mesa County in California. The most compelling and I think strongest statement that Mr. Arruda made, if you listened carefully, was that he said that he is not necessarily sure that the city manager is the best option for Kaua'i County. With that being said, we are taking that first step in gathering the information. I do not think we should be prevented from looking into trying to improve the County, but let us all be clear that this is just a baby step in this process. I do not want people to assume that taking this step is going to mean that it is going on the ballot. At the end of the day, it will need four (4) votes by this Council to push it forward to the Charter, and I for one, will need very compelling information in order to cast my vote in favor of a city manager system, because we are not the mainland municipality. We are an "island state" and if it was so obvious that the city manager system was a guaranteed improvement to government, then the City of Honolulu, Maui County, and Hawai'i island would already be there. We are trying to be the first one of our "island state" to make this change. Even that, to me, raises the threshold of how compelling the evidence needs to be to tell us that putting the city manager system on the ballot is in the best interest of the people of Kaua'i. I have said it before and I will say it again: On the charter amendments, a lot of people do not educate themselves and take the time to know the real deep issue behind the charter amendments. It is not blaming the people of Kaua'i. I think when the people of Kaua'i vote for councilmembers, mayor, and you name it, I think they do take the time to consider for themselves who is the best name to check. I think at the end of the day, we need to be extra careful as to what kind of charter amendments we put on the ballot so that there are a few and the public has a better chance to learn about the issues and know what they are voting for on these charter amendments. I will leave at that. Thank you, Chair.

Council Chair Rapozo:
Kaneshiro.

Thank you very much. Councilmember

Councilmember Kaneshiro: I am excited to be on the sub-committee. I think getting information on both of these different types of governments is going to be very interesting. I think the resounding note that Judge Laureta said is, "What is the problem with the current system?" I think advocates for the county manager system are saying, "These are the problems we want resolved and these are the problems we think that the county manager system can resolve." I think that is where we will come to an agreement on: "What are the problems and how do we resolve it?" Is it a situation where we need to completely change to a county manager system or is it a system where we can try to address these concerns and questions that people have about our current system and try to tweak it so that there is more accountability, transparency, continuity, and efficiency? That is what the issue comes down to. I do not think it is a matter of a county manager system is better or a mayor system is better. I think people have issues with certain ways that the government is run and they mention some of them. It is a matter of how do we resolve these and how do we make people feel a little more comfortable with it? For me, I am excited to be on the sub-committee and I am excited to hear more information about the benefits of a county manager system. I think ultimately I will leave my own biases on the side and just look at it and say, "Here are the pros and cons and here are the major issues that people have with the current system." I am just excited to see what comes out of it because I think we have heard about it for a long time and it is about time to just put the information down and everybody can digest it.

Council Chair Rapozo:

Anyone else? Councilmember Kualii.

Councilmember Kualii: I just wanted to add that as a Council, it is a really big responsibility on whether we put something on the ballot to vote or not. I would just say that a Charter amendment should be few and far between because it is basically amending what our version of the "constitution" for our County is. It should be a sacred document that is hardly amended. Another thing in my opinion from my experience in California with the proposition system and the voting is that in California, "yes" meant "yes" and "no" meant "no," and a blank vote if you chose not to vote also meant "no" because you are saying that, "I am not in the affirmative of making this change." So it is harder to make the change. Unfortunately here on Kauai, our charter amendment process throws the blanks out and the majority of our voters or a lot of them are voting blank because they are not taking the time, as Vice Chair Kagawa said, to study the issue or because sometimes the question is worded in such a way that it is confusing, because a "yes" means "no" and a "no" means "yes." So we have to be careful with charter amendments, and until we get to the point where it is very clear that only "yes" and "no" votes...you need a "yes" vote to affirm the change because it is a document that should be hard to change. When we throw in all the blanks, you are ignoring so many of the voters and it is true that they did not take the time to articulate or study and take a position, but it is also a position of, "I do not want to make a change. I have not taken the time to study and I am not voting in the affirmative for the change." We have to be extra careful. Thank you.

Council Chair Rapozo: Anyone else? Obviously, I will be supporting the Resolution. I will make a few comments. At the last meeting or at the last hearing, I stated that I did not ever want to hear about the legality of this change again, because a Supreme Court had ruled back, I believe in 1978 or so, way before the Charter Review Commission ever looked at this, that it was legal. That is the Supreme Court ruling. That is the law of the land. Here we go July 1st, we have a testimony from the Mayor saying that the biggest reason why he is in opposition

was because of the legality and saying that it is illegal. It is not illegal. We need to get that clear. I am disappointed that the Mayor would submit testimony against adopting this Resolution to go get information. That frustrates me. One of Mr. Furfaro's common sayings always used to be, "No one got in trouble for having too much information." I think he said that at every meeting. This is an opportunity to get more information and the Mayor is basically opposing that, and I am very disappointed with that. As much as I respect the Mayor, I must respectfully disagree with his position. This is not a resolution to change the system. This is a resolution to objectively obtain information to figure out what is best for Kaua'i, and he does not want us to even do that, which is disturbing and I plan to have a discussion with the Mayor offline regarding that. The Committee is tasked with looking at all options. One option may very well be, "No, this is not a recommendation and that we do not want to go down that road." Mr. Arruda, and I will classify Mr. Arruda as a "resource person," versus Ken, Walter, and Glenn, who are "advocates" of a system. They are advocating for this system. Mr. Arruda comes with a wealth of information and knowledge and both are needed in this process. This is not disrespect on the advocates. What I am saying is that we need all parties to participate in this discussion, which is why we chose to do a sub-committee. Judge Laureta has many years of experience on Kaua'i in the courtrooms, so what a great resource. The Committee needs to take advantage of those resources and actually talk to these people and get input. Also involved will be the ICMA, the "International City/County Manager Association" as well and they have already committed to assisting us with resources to go down that road so that we can get objective information. Obviously, there will be a cost, but again, those are the issues that the Committee will be looking at as they go down this road. I think of all seven (7) of us on this body...I do not think any one of us has a predetermined outcome on what we want. I think just listening to Mr. Arruda today kind of opened all of our eyes in saying, "Hey, there is a lot more that we need to learn about this process and this system." Councilmember Kuali'i also has some experience of living in a jurisdiction that had that manager, which then he is another great resource. That is what this is. This is a fact finding Committee. Back in 2009, and I brought this up at the last meeting, and I think this is very important that when the Charter Review Commission met or when they discussed this in 2009 and 2010, keeping in mind that the Charter Review Commission was appointed by the Mayor, and the County Attorney was appointed by the Mayor, the sitting Mayor had an opportunity to run for office in the following election. If the Committee or if the charter amendment had gone through and passed, there was a chance that that Mayor would not have the opportunity to run. So what do you think he was going to do? Why would he support a measure that would have effectively taken away his opportunity to run for office? I think the Committee needs to look at that as well. That is why I appreciate this process because it is objective. We are utilizing resources that are objective and coming back to the Council with information that is factual and not guided because somebody wants an opportunity to run another term for mayor. I think the timing is right. Like I said earlier, I just hope we have enough time to thoroughly vet out all of the issues. If, in fact, we do not, then we do not. The time will pass and it would need to be done on a different day. We are not going to rush this process. We are going to do it right and get all of the information necessary. Again, I am looking forward to the results of the Committee in the next six (6) months. With that, can I get a roll call?

The motion for adoption of Resolution No. 2015-50 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kuali'i, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Next item, please.

Ms. Fountain-Tanigawa: Chair, can we go back to page 3,
Resolution No. 2015-44, Draft 3.

Resolution No. 2015-44, Draft 3 – RESOLUTION URGING HAWAII'S CONGRESSIONAL DELEGATION TO ADDRESS EXCESSIVE CAMPAIGN SPENDING BY PROPOSING AND PASSING AMENDMENTS CLARIFYING THAT CORPORATIONS ARE NOT PEOPLE WITH CONSTITUTIONAL RIGHTS, IN PARTICULAR ELECTORAL RIGHTS, AND THAT UNLIMITED CAMPAIGN SPENDING IS NOT FREE SPEECH: Councilmember Kuali'i moved for adoption of Resolution No. 2015-44, Draft 3, seconded by Councilmember Yukimura.

Council Chair Rapozo: Discussion? Councilmember Yukimura.

Councilmember Yukimura: I have a technical amendment.

Councilmember Yukimura moved to amend Resolution No. 2015-44, Draft 3, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 1, seconded by Councilmember Chock.

Councilmember Yukimura: Hopefully, it basically just says something in a more understandable way.

Council Chair Rapozo: Discussion? Councilmember Kagawa.

Councilmember Kagawa: Yes, I will be supporting this amendment. It looks like an improvement that better clarifies the United States Constitution. Thank you, Chair.

Council Chair Rapozo: Thank you. Any further discussion? Any testimony on the amendment?

The motion to amend Resolution No. 2015-44, Draft 3, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 1 was then put, and unanimously carried.

Council Chair Rapozo: Back to the main motion. Further discussion?

Councilmember Yukimura: Are we taking testimony?

Council Chair Rapozo: We will take testimony. Is there any discussion? If not, the rules are suspended with no objections.

There being no objections, the rules were suspended.

Mr. Bernabe: Matt Bernabe for the record. I would just like to say thank you to all of you. That is all I wanted to say.

Council Chair Rapozo: You are welcome. Anyone else wishing to testify? Mr. Mickens.

Mr. Mickens: Mel, I just wanted to say that I am one hundred percent (100%) in favor of this Resolution. There is no way corporations and the big money is going into these things is right. It is completely wrong. These corporations are not people. Thank you.

Council Chair Rapozo: Thank you. Anyone else? If not, I will call meeting back to order. Discussion? Councilmember Yukimura.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: As I said in Committee, this is a very fundamental importance to the working of a democracy that elections cannot be bought and that there needs to be limits on campaign spending and contributions. I want to note that of all of the testimony we have received, there has not been a single testimony in opposition to this, so it appears that there is overwhelming support for this, and I am glad because that is what it will take to complete this long journey to a successful constitutional amendment. I want to thank my cosponsor, Councilmember Kualii, the Council, and all the people who have come forth to testify in support of this.

Councilmember Rapozo: Thank you. Councilmember Kualii.

Councilmember Kualii: I, too, want to thank the Council for supporting this and for allowing the discussion. Also, thank you to all the citizens who came forward to testify, especially all of those who submitted in writing. Part of the process of doing resolutions is so that we can provide information and education to the public, so I am glad we were able to do that. Thank you to Sandra Herndon for bringing this to my attention to begin with. It is a large, nationwide movement that we all need to be a part of, so whether you go to different organizations like "Democracy For All" or "Move To Amend," and I think there is even one called "End Citizens United." Join in, sign the petitions and send contributions. This is a long, big battle that unless all of the citizens get behind, it is going to be difficult, but it is worth the effort. I am calling on all of our constituents to step forward and join the movement: "Democracy For All," "Move To Amend," and "End Citizens United." Thank you all.

Council Chair Rapozo: Thank you. Any further discussion? If not, roll call.

The motion for adoption of Resolution No. 2015-44, Draft 3, as amended to Resolution No. 2015-44, Draft 4, was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL - 7,
AGAINST ADOPTION:	None	TOTAL - 0,
EXCUSED & NOT VOTING:	None	TOTAL - 0,

RECUSED & NOT VOTING: None

TOTAL – 0.

Council Chair Rapozo:

Motion carried. Next item, please.

Ms. Fountain-Tanigawa:
agenda, Resolution No. 2015-49.

The next item would be on page 4 of our

Resolution No. 2015-49 – RESOLUTION REPEALING ITEMS NO. THREE (3) AND NO. FORTY (40) IN SECTION XVI OF RESOLUTION NO. 54-91, RELATING TO THE TWENTY-FIVE MILES PER HOUR (25 MPH) SPEED LIMIT ALONG AKEKEKE ROAD AND ALONG A PORTION OF ULILI ROAD, AND ESTABLISHING A MAXIMUM SPEED LIMIT OF TWENTY MILES PER HOUR (20 MPH) ALONG AKEKEKE ROAD AND A PORTION OF ULILI ROAD, WAIMEA DISTRICT, COUNTY OF KAUAI, STATE OF HAWAII: Councilmember Kagawa moved for adoption of Resolution No. 2015-49, seconded by Councilmember Kualii.

Council Chair Rapozo:

Discussion? Councilmember Kagawa.

Councilmember Kagawa: First, I would like to thank the Santiago family in Kekaha, our County Engineer, and the Engineering Division at Public Works for doing their work. The Santiago family brought up a personal request that I did and brought up some safety issues for pedestrians and vehicles, witnessing their accidents and some dangerous situations. All of us had been out to Kekaha campaigning and what have you in those interior roads, which Akekeke Road is one of those interior roads and I think we all agree that sometimes even twenty-five miles per hour (25 MPH) is quite fast when you have a lot of kids and what have you with vehicles pulling it out. Lowering it to twenty miles per hour (20 MPH) is an improvement. The Santiago's had requested fifteen (15), but this was a compromise of some sort, as performed by the Police Department and Public Works. I will be supporting this being that the Administration has supported this as well. Thank you, Chair.

Council Chair Rapozo: Thank you very much. Any other discussion? Thank you. I am obviously going to be supporting this. I would ask that we draft a press release or have the Administration draft a press release because of the change so that the community is aware. It is horrible when they change speed limits on you and you do not know, and the cops are waiting. They have that window of opportunity to issue citations, so a press release as well as a notice or request to the Kauai Police Department (KPD) that they...well, just the press release will be fine. I know the Resolution takes effect after they post the signs, so as long as we get the public informed before they post the signs so that they are not caught by surprise, because those five miles per hour (5 MPH) does make a difference when you get a ticket. With that, any public testimony? If not, roll call.

The motion for adoption of Resolution No. 2015-49 was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Hooser, Kagawa, Kaneshiro, Kualii, Yukimura, Rapozo	TOTAL – 7,
AGAINST ADOPTION:	None	TOTAL – 0,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	None	TOTAL – 0.

Council Chair Rapozo: Thank you. Next item, please.

(Councilmember Kaneshiro was noted as recused from Bill No. 2576, Draft 1.)

BILL FOR SECOND READING:

Bill No. 2576, Draft 1 – A BILL FOR AN ORDINANCE ESTABLISHING REGULATIONS, PROCEDURES, ZONING, DEVELOPMENT PLANS, AND FUTURE GROWTH AREAS FOR THE SOUTH KAUAI PLANNING DISTRICT, AND ESTABLISHING EXCEPTIONS, MODIFICATIONS, AND ADDITIONS TO CHAPTER 8 AND CHAPTER 9, KAUAI COUNTY CODE 1987, AS AMENDED

Ms. Fountain-Tanigawa: Council Chair, I have been informed by staff that amendments are still being prepared.

Council Chair Rapozo: This is the situation we are at right now. At the last meeting, I requested that we make sure that as we do the community plan, we reference the local sites, the beaches, and whatever with their appropriate Hawaiian names, which we just got the list last night. I know Councilmember Yukimura had submitted some proposed amendments that came in last night as well, so we are in the process of preparing those. I do want to get this out today and the reason is because we have been working on it for a long time. The Planning Director has informed our staff that himself, as well as the Deputy Director will not be here in two (2) weeks, so a deferral of this would be for one (1) month. I think aside from the name changes, and we have not seen Councilmember Yukimura's amendments yet, and hopefully they are technical in nature and not very substantive, but it is my hope that we can get through all of the amendments. This is the last item on the agenda today, other than the Executive Session and the corresponding communication, so we have time today. I know we all want to go home early, but we have a public hearing at 1:30 p.m. so that requires us to come back. I am hoping we can get the amendments in place, but while that is being prepared, maybe we can entertain Councilmember Yukimura's amendment. We do want to get to public testimony and we can get all of that out of the way before lunch, which will give staff the appropriate time to prepare amendments. Councilmember Chock.

Councilmember Chock: Chair, I just wanted to also mention that I did receive a request for some technical amendments from the Department, so I think there are about three (3).

Council Chair Rapozo: Okay, we can take care of all of that before lunch. Councilmember Kagawa.

Councilmember Kagawa: Thank you, Chair. I was wondering if we could be more efficient if we just push this to after the public hearing and take up the Executive Session at this time, if that may be a more efficient use of Council Staff and our time.

Council Chair Rapozo: Is there anyone here wishing to testify on this matter today? Okay, well that helps. Mr. Bernabe, the Bill will change with the amendments, but until the amendments are introduced, we will not know. Councilmember Yukimura.

Councilmember Yukimura: I have some questions of Planning that will help determine whether I need one amendment drafted. Can we have them up now? I think that would be helpful and time efficient.

Council Chair Rapozo: Okay. If there are no objections, the rules are suspended. Is Planning here? Okay, they are.

There being no objections, the rules were suspended.

MARIE WILLIAMS, Long Range Planner: Marie Williams, Planning Department.

MICHAEL A. DAHILIG, Director of Planning: Mike Dahilig, Planning Department.

Councilmember Yukimura: Thank you for being here, Marie and Mike. One of my questions or request for information was of the CAC meetings attendance sheets. I presume those are available.

Ms. Williams: Yes.

Councilmember Yukimura: Okay.

Mr. Dahilig: We have been pulling them together and it becomes a process. We got the request this morning, so we are trying to pull of these together. We have some that are on the website and some that we brought with us, but given the item coming up now, we have not had time to actually go through all of the files that we need to get all of these attendance sheets.

Councilmember Yukimura: I also requested the minutes, but my request was denied, I presume.

Mr. Dahilig: I guess it was not denied *per se*, but it was just that we got the request for the minutes yesterday morning and we usually need some time to actually go through the body of work to actually get the information that you need. We are attempting to try to meet your request as quickly as possible, as it does take man hours to do so.

Councilmember Yukimura: The attendance sheets though, I did get the three (3) that were posted, but how many other CAC meetings were there?

Ms. Williams: I believe there were about twelve (12) meetings with the CAC, and then we had several public meetings and events as well.

Councilmember Yukimura: Okay. That means about nine (9)...oh, you had CAC meetings publically...

Ms. Williams: Yes, all of our CAC meetings were open to the public.

Councilmember Yukimura: Right, but I am looking for just the attendance of CAC members, so that is nine (9) sheets that are at the beginning of every minutes.

Ms. Williams: Okay.

Councilmember Yukimura: I would like to have that before we take the final vote.

Mr. Dahilig: Again, given that we got that request this morning, we are going to try as much as possible to get that information, but as part of the logistics that are involved with getting these minutes, we had a staffer that was supporting us, and because the plan has rolled down, we need to actually go through all of her files and that is what we are doing right now. Because we had been working on other amendments as well to support Mr. Blake's request, we just have not had the time to go through and pull those requests. We will try our best before this item is called up again, but I am not sure if we can actually confirm that that is every single attendance sheet that we can give you.

Council Chair Rapozo: We will appreciate you trying your best.

Mr. Dahilig: Okay. Thanks.

Councilmember Yukimura: I wanted to ask about the State owned lands that are *mauka* of the existing Weliweli subdivision. Is that area being down-designated in this plan?

Ms. Williams: Yes, it is.

Councilmember Yukimura: I think its original intention was that it would be for affordable housing.

Ms. Williams: Yes, that was the original intent, which has since changed. It is currently in a long-term agricultural lease, so we are proposing to down-zone or redistrict the land from State Land Use Urban R-6, which it is now, to the agricultural district.

Councilmember Yukimura: With affordable housing so urgent in Po'ipū, why would we down-zone State land for pasture use?

Mr. Dahilig: As Marie mentioned, part of it is as we talked with each of the landowners in those areas, that particular one is in a long-term lease. Again, this plan is a twenty (20) year event horizon plan, so my understanding is that the lease was running longer than the term of the plan. The second thing is that we got a lot of community comments concerning the ability of the communities to be distinct. As you look at the spatial area, an analysis of the area, you will notice that that particular wedge actually rims the whole length of the Eastern Bypass. What we have heard from a form and character standpoint is that they wanted distinct separations between communities versus the homes literally running along the whole side of the road. This was meant to also create a spatial difference between the Kōloa community and the Po'ipū community, rather than having something just run from an urban form standpoint all the way down the length of the Eastern Bypass.

Ms. Williams: We also did consult with the State and there are no intentions to develop affordable housing on that land. I believe that lease currently runs until 2035, the agricultural lease.

Councilmember Yukimura: It just seems like land for housing is so scarce for affordable housing and also so expensive that this is pretty precious land, which is already under government control. It seemed problematic to do away with those lands unless we could trade them and get some other lands elsewhere in Kōloa-Po'ipū for housing.

Ms. Williams: Well, also consider that is why we have the designation of the Po'ipū Mixed Use Gateway that will accommodate our projected, needed future growth for the area, so in some ways we did transition the number of allowable units, which was about two hundred forty (240) units that could be constructed on that State parcel to the Po'ipū Mixed Use Gateway area.

Councilmember Yukimura: Okay, but that is a private-owned land and I do not have any objection to privately-owned land being for affordable housing, but it is harder to control the affordability. I am also told by developers in that area that it is very expensive to develop that land because it is blue rock lava. I do not know if there is a difference between the State-owned land, in terms of ease of development, but it seems that with affordable housing being such a critical issue in that area, they would be very, very cautious about giving up State-owned land for housing.

Mr. Dahilig: That is part of the weighing analysis that the community had to go through in terms of different proposals and competing interests with affordable housing and workforce housing, along with what kind of community you want it to have it look like, versus what is the reality in terms of the landowner and their intentions with that particular piece of property. To say that there is no one particular answer would be correct in the sense that we presented this option of down-zoning the property, because we felt that a lot of the community comments concerning form and character of the area and creating distinct communities versus where amorphous development was outweighed by the ability for us to move that density into something else. So certainly that is what we gathered out of the process. If the Council from a policy standpoint wants to disagree with that, then certainly it is within your prerogative to propose an amendment to do so.

Councilmember Yukimura: Do you know whether those two (2) lands are more difficult to develop than the other?

Mr. Dahilig: That is a tough question to answer in the sense of whether you are talking about it from a construction standpoint or an entitlement standpoint, or from the landowner and whether or not they have the money to do so.

Councilmember Yukimura: No, I am talking about it in terms of the land and the difficulty of installing underground utilities, et cetera.

Mr. Dahilig: I think that kind of analysis goes beyond some of the discussions that we have, because at the end of the day, it becomes literally a business decision for the landowner to determine whether or not that particular type of infrastructure or whatever they choose to do to put in the infrastructure is economically feasible. That goes beyond what we do on a parcel-to-parcel basis.

Councilmember Yukimura: Is that not what you consider in planning when you talk about the feasibility of affordable housing?

Mr. Dahilig: Certainly, we look at what is adjacent to the area and what we understand is that there are sewer lines and other things like water in the area, but when you actually look at whether something is blue rock versus igneous, magnetite, or whatever not, it is hard for us. We do not go through a geologic analysis for all of these areas to determine whether or not something is igneous, metamorphic, or whatever not.

Ms. Williams: Our consultant prepared a map showing the different soil types in the area and found that the soils in the Po'ipū Mixed Use Gateway were predominantly what exist in the existing built-out areas of Po'ipū, so those soils are, in fact, built on...they have been built on already. It was not different from where we already see development.

Councilmember Yukimura: Yes, you are right that Po'ipū has been developed on that kind of soil and most of it has been very expensive development that can carry those costs. I just wondered between the two (2) parcels when you are evaluating them, whether that kind of thought had gone through. Do you know whether the soils are the same in both properties?

Mr. Dahilig: If we are just trying to parse it between just two (2) properties—again, the analysis as we presented to the Council was that we looked at housing unit demand from a balance sheet standpoint, not saying we are going to move one from here to another place. Again, we looked at it from a balance sheet standpoint and we said, “Okay, here is what is driving the housing demand. It is ‘x,’ ‘y,’ ‘z,’ and given that, how many units do we have? Okay, we have ‘x’ amount, but we need ‘y’ amount.” The delta between “x” and “y,” then we have to look from a spatial standpoint, “Where do you want to distribute these things within the core?” It is not looking at saying that we want to take stuff from the State parcel and specifically put it into Po'ipū. That is not the analysis that we made. The analysis we made was a balance sheet analysis to say, “Okay, here is our need and here is our demand; spatially, where do we want to put everything?”

Councilmember Yukimura: As the Housing & Transportation Committee Chair, I am looking at it from a standpoint of what is the most developable parcels in terms of affordable housing. So even if we do not take that whole parcel, a portion of the parcel for perhaps a higher density, form-based kind of housing, might work and the fact that it is State-owned is a big factor. We are always looking for government-owned land because we already own it, so that is why I am asking these questions.

Mr. Dahilig: As I alluded to earlier, we went through that process of contacting the landowner; the landowner is the State; and the State had made clear that at least within the event horizon of twenty (20) years, they have no intentions of moving forward with any development at this time.

Councilmember Yukimura: Did you talk to the State Housing Agency?

Ms. Williams: No, we spoke to Marvin Mikasa at DLNR, our Land Agent.

Councilmember Yukimura: Right, so he may not be that acutely aware of the housing needs and issues. The County Housing Agency could have said, "Maybe this is land we want to develop." My other question though is when you put housing in one developer's or landowner's land, as we have here in Līhu'e, if there is some block to them developing housing, then affordable housing sort of comes to a stop, i.e., even housing comes to a stop, as it has in Līhu'e. Grove Farm has huge entitlements in Līhu'e and we do not want to add too much more because we know that they will eventually develop, but if for whatever reason they cannot develop, then we are stuck. There is some sense in spreading it among two (2) or three (3) or four (4) landowners. I am just asking, and it does look like a decision...they are both in the same area...you said "no" to State land and "yes" to new area. Again, I am not against Grove Farm *per se*, but I am saying, "Why are you proposing to let go of State lands, which would give us more options and perhaps more developable options?"

Mr. Dahilig: Again, we went through the community process and a competing interest here was the form and character of each of the communities. The process led to the movement of these units in *lieu* of the desire to have more distinct separations between the communities, versus having something that looked like urban sprawl. At this juncture, again it is a policy recommendation. If you feel it is appropriate not to accept that recommendation from the Planning Commission, as well as the community process, then it is within your prerogative to do so, Councilmember.

Council Chair Rapozo:

Councilmember Hooser.

Councilmember Hooser: Good morning. Actually, I think Councilmember Yukimura raises some good questions and it makes me think that the planning horizon...the plan is twenty (20) years and the lease extends beyond twenty (20) years, so the net effect is zero, but yet we are giving up an option. So I do not understand what this change accomplishes, other than giving up an option. It does not improve planning and it does not change the use of land, but it foregoes that option twenty-five (25) to thirty (30) years from now, or it foregoes the option of negotiating with the State or with a lessor or whatever. What does this accomplish? What am I missing here?

Mr. Dahilig: Again, the competing interest here...I understand the housing concerns that Councilmember Yukimura is raising, and that parcel has been zoned that for quite a while, I believe. So whether or not that is actionable, and then also given the presence now of the Eastern Bypass that was not there when that land was originally zoned, there was community input that led to a competing urban form concern. That is the desire to minimize urban sprawl in the area, so how that folds into the context of where that thing is located along that corridor from a view plane standpoint, as well as the history of whether or not that parcel has actually been used for the zoned use, as well as what the current landowner is intending or not intending to do so; those are all things that come into the calculus of this recommendation to down-zone the property to try to preserve the view corridor. Whether or not that was the appropriate policy tradeoff, there is certainly a review that is worthy of the Council's perspective. Again, I can only explain why that was.

Councilmember Hooser: I think I understand the rationale that you are presenting, it is just that the net effect of the status quo preserves that same end result; the corridor will remain open. So we could have both; we could have the

corridor open for the next twenty-five (25) to thirty (30) years, and we could have retained options for the future by not down-zoning it. My other question is that it is my understating that the agricultural use is allowed on R-6...is it R-6...

Ms. Williams:

Or R-4, yes.

Councilmember Hooser: Okay. They have greater protections for the neighboring communities than the agricultural allowed in agricultural zoned land. It is my understanding that so-called "intensive agriculture" is not allowed on R-6 land without a Use Permit.

Mr. Dahilig:

Right.

Councilmember Hooser: So by taking out that zoning, it allows a more intensive agriculture without a Use Permit, which may or may not be appropriate, given the adjacent residential areas. Did anyone consider that?

Mr. Dahilig: Certainly, when you actually put it in that context, that is something that could potentially happen. Now what we gathered from the process was there was a value in terms of view planes, corridors, and open space.

Councilmember Hooser:

Right.

Mr. Dahilig: So whether or not there was a negative effect as a consequence of agriculture on the property versus a positive effect by preserving open plains or whatever not, is the struggle here. I do not beg to say that one is right over the other, and when you are suggesting that the land could actually become more intensive as a consequence of it going into agricultural use, that could happen. But we are not here to speculate at this point on whether that is the one reason why we should not do this. Again, as a body of work that we have looked at, a culmination of all the different inputs concerning that parcel; so if that outweighs the proposal, then certainly it is within the Council's prerogative to take it out and leave it at R-6.

Councilmember Hooser: Okay, because I think we differ with each other sometimes and I think it is important that we speculate in terms of future impacts. By taking away an option of affordable housing and taking away protections of impacts that might come about from what they call "intensive agriculture," which would be monocropping, the definition of "intensive agriculture," which may or may not be appropriate. Those are big impacts and I am glad that they were brought up today. Again, preserving the existing zoning preserves those protections, preserves the future options of affordable housing and does nothing to risk the concern that the changes were made from, in my opinion. Thank you. Thank you, Chair.

Council Chair Rapozo:
Councilmember Yukimura.

Any other questions for Planning?

Councilmember Yukimura:
down-designation?

How many acres are involved in that

Ms. Williams:
the top of my head. I apologize.

I believe it is about sixty (60). I am going off

Councilmember Yukimura: Okay, so I want to show everyone the land we are talking about, correct me if I am wrong, is this strip right up here. I think this is Weliweli Tract right down here.

Ms. Williams:

Yes.

Councilmember Yukimura: This is the Ala Kinoiki Road, the Eastern Bypass, that meets up to Maluhia somewhere here. You will see that this kind of wedge here, sixty (60) acres; it is right next to the proposed urban gateway. It is not leapfrogging; it is adjacent to an urban area. You could, in twenty (20) years, build housing that is right here, perhaps more clustered, rather than going all the way up the strip. But it is accessible, it is by roads, it is close to the resort area, it is going to be close to the gateway, and it is State-owned. We do not have to purchase it or buy it from anybody. It is also close to utilities. There are issues we would have to solve to create housing, but so are issues here to solve to create housing. So that is why I am asking the questions. I am thinking of proposing an amendment to keep this in urban R-6. As Councilmember Hooser pointed out, it could work with the span of this area...the time span of the plan, excuse me, and not be developed for housing in the next twenty (20) years, but still be available for the following year. If the County were to say we want to develop this for housing, we would have to go through a general plan change then if we take away the urban R-6 right now. That is more red tape for the County to go through. We are going to create more red tape housing that we might want to put in the future. Thank you.

Council Chair Rapozo: Thank you. Any other questions? What is the State designation for that spur or those sixty (60) acres?

Mr. Dahilig:

Urban.

Council Chair Rapozo:

It is urban right now.

Mr. Dahilig:

Yes.

Council Chair Rapozo: And you are saying that they have no intention of changing that designation for the next twenty (20) years.

Ms. Williams:

It is in a long-term lease right now.

Councilmember Yukimura:

Agricultural lease.

Ms. Williams:
activities.

Yes, agricultural lease for, I believe, grazing

Council Chair Rapozo:
thirty-five (35) years.

You are saying that the lease extends

Ms. Williams:
horizon of this plan.

I believe the horizon was 2035, which is the

Council Chair Rapozo:

Right, and what about the lease?

Ms. Williams:

Yes, it is the same as the lease.

Council Chair Rapozo: So there is nothing we can really do anyway if it is currently being leased. Is that correct?

Mr. Dahilig: Especially if it is the State.

Council Chair Rapozo: Right, it is not our land. It is the State's land and you are saying that the State has the existing lease with a lessee for the duration of this plan.

Mr. Dahilig: Yes.

Council Chair Rapozo: I am missing it, I guess. We cannot affect that lease...we cannot change that lease. It is not even a County lease. Maybe I am missing something in this discussion. I do not know. You can help me.

Mr. Dahilig: Again, our task here is to look at twenty (20) years out. What is actionable? What can we do in this area? What is the community's interest here? We are just reflecting the fact that we do have, as you mentioned, information that the landowner does not intend to do anything within the next twenty (20) years in this property.

Council Chair Rapozo: Right.

Mr. Dahilig: That we now have the presence of an additional road. That was not there thirty (30) or forty (40) years ago when the initial zoning was put in for that parcel. The change and the issues of urban sprawl and corridor use now come into play where they would not so many years ago. Our analysis was if there is not going to be anything within the event horizon that is going to be done by the landowner, along with these competing community interests, is this the right proposal? That is what we came up with and embedded through the community.

Council Chair Rapozo: Thank you. Councilmember Yukimura.

Councilmember Yukimura: Did the State request this down-designation?

Ms. Williams: No, it came about through our community process.

Councilmember Yukimura: So at this point, it is the County proposing it?

Mr. Dahilig: What came out through the scoping process was that there was a common desire to minimize urban sprawl. As that translates from a spatial standpoint, now that you have a heavily traveled corridor, does that from a viewpoint standpoint perpetuate this motion of urban sprawl? The R-6 density that is for that parcel is not multi-family units or tight units. It is tract homes, essentially. Hence, when you look at Weliweli Tract, you are looking at the similar type of housing in that area.

Councilmember Yukimura: Why are you looking at a similar type of housing?

Mr. Dahilig: Because the zoning is R-6.

Councilmember Yukimura: But you can do cottage-like development. We have seen it. Or we can change the zoning if we want to or we could do a project development that could increase part of the lot.

Mr. Dahilig: Again, all of these possibilities are policy possibilities, Councilmember.

Councilmember Yukimura: So I do not think we should assume that it has to be single-family subdivision. We could just take, if this is sixty (60) acres, ten (10) acres and develop pretty nice multi-family housing.

Mr. Dahilig: Again, those require zoning changes. For instance, R-6 does not allow multi-family dwellings *per se* and you have to go through the Class IV Use Permit. The urban form elements, as we heard from the community, was that they wanted to minimize urban sprawl. What R-6 does is essentially create tract housing, which provides the image of urban sprawl, especially along a heavily traveled corridor like the Eastern Bypass. That was a community concern about building up to that roadway and having it look like there was a continuous road of tract housing from Kōloa down to Po'ipū.

Councilmember Yukimura: But Mike, you are a good developer. You can put berms and landscaping. Those are not firm obstacles to developing nice housing.

Council Chair Rapozo: Councilmember Yukimura, this is not the debate with Mike. He is the messenger. We are the decision-makers. If you disagree, then you vote no.

Councilmember Yukimura: I am questioning the assumptions.

Council Chair Rapozo: Well, what he said is this is the message that the community wants. They want an open area. They do not want sprawl and three hundred sixty (360) units of homes in that area. That is what I am hearing. Whether you agree or disagree with that, that is our prerogative on the Council. To sit here and debate about the different types of...the argument that you raised...we could do that if it is in agriculture. The Council could rezone that anyway, even if it is in this document. If there comes a point five (5) to seven (7) years from now that the Council felt that we needed to rezone, just as you are saying, JoAnn, we could do that if it was in agriculture. That option always exist. It boils down to what you want to do. I do not want to get into the whole argument or debate on R-6 versus this option and we can take ten (10) acres and move it here, because that is not what is on the table. Today is the designation of that tract. Do you support it being down-zoned to agriculture? If not, you vote no. Create your amendment and let us discuss it in the amendment if this is for questions that pertain to it. I think he has answered it several times. This is the community's discussion. This is what the community wants. That is what is on the floor. If you have any more questions pertaining to the community's position, then let us go down that road. If not, let us entertain the amendment and vote on it.

Councilmember Yukimura: So you are creating even higher density or you are proposing a higher density even over here, so the transition from R-6 to this would not be real sprawl if you were to develop in this area, right?

Mr. Dahilig: Again, it comes down to the competing interests where you are now folding into the discussion of mixed-use development and form-based code, "How do you mitigate sprawl through urban form?" We have gone through those proposals with you and that is why you see that area there designated as potential mixed-use and form-based code type of development. In keeping with the desires of the community for more complete streets type of development and integrated uses, the housing unit count is accommodated in not the same type of urban form that was proposed in the R-6.

Ms. Williams: Just to be clear, this map alone does not by itself rezone or let alone redistrict anything. Those are actions that would come separate of this.

Councilmember Yukimura: But it removes the urban designation.

Ms. Williams: It would not do that. Only the State Land Use Commission can do that if you are talking about the State Land Use designation.

Councilmember Yukimura: In fact, you do not have anything showing urban. It would be shown as residential if it is not shown as agriculture.

Ms. Williams: We are proposing agriculture. That is what we are recommending through this draft map.

Councilmember Yukimura: And the alternative if you want to not change the status quo would be what?

Ms. Williams: Well, first of all, the status quo will not be changed, unless an actual zoning action occurs, and to redistrict that much land, we would have to go through the State Land Use Commission. If you feel that it should remain in urban district and be developed, then the map would have to be amended.

Councilmember Yukimura: To what?

Ms. Williams: Probably keep it in residential, but we do have other designations for form-based code areas. Again, considering that we only apply those areas in locations where we feel can support walkable development, and that long parcel, we also felt that would not result in walkable development. It was simply too far away from Po'ipū and just the design of it is not compact. It would simply be an extension of Weliweli Tract, so it would support car-oriented development.

Councilmember Yukimura: Do you not think you could take five (5) to ten (10) acres right here and incorporate it into the urban gateway?

Mr. Dahilig: Again, that becomes a micro policy call beyond the scope of what we were looking at here. If that is something that wants to be entertained at a juncture where the implementation of the plan, as Marie mentioned, is facilitated through a zoning change, then that microanalysis could be accommodated through that process. Right now, this is just a recommendation at this point.

Councilmember Yukimura: I think you said you are not going to require zoning change and that we are actually doing the zoning change right now.

Mr. Dahilig: Not for that.

Councilmember Yukimura: No?

Mr. Dahilig: Not for that.

Councilmember Yukimura: So this will require a zoning change as well?

Mr. Dahilig: Yes.

Councilmember Yukimura: Okay.

Council Chair Rapozo: Any other questions?

Councilmember Yukimura: No. Thank you.

Council Chair Rapozo: Thank you very much. Would anyone from the public like to speak on this? Matt, you can come up.

Mr. Bernabe: Matt Bernabe, for the record. I just want to say a couple of things. One, they are not farming anything down there. So why are they talking about farming? I was just there on Monday with my daughter, swimming, and there was no farming. I use that road. Second, if we are going to talk about "we want our urban view," I want mine, too. Let us put a moratorium on all houses on Kaua'i. If you are going to call it "we want to leave it open for farmland and actively present a plan to farm it"—if not, tax them a little bit higher for fallow lands...State, we should tax them anyway...but there must be a lease holder. You are saying somebody holds the lease, so he is responsible for the land; whoever the lease holder of that land is responsible for tax at some point. If they are not farming because they have a lease to hold that is farmland, then there is a breach in contract. If you want houses, do not put them in Kapa'a, put them over there. That is what I am talking about. If the excuse was rational, other than we want our view plain, I could support that idea. If their argument was, "Let us leave this open," and leave it in agriculture and actually engage in agriculture, I support that. But I cannot support the part of this community saying, "We oppose housing because we want our view plain." That is not *pono* with me. Put the houses over there. They are looking at putting how many houses in Kapa'a, right? These are the very guys that say there is no housing and there is not this or that, and they turn around and they hold their community meeting and say, "Let us leave it open so that I can see the mountain." My point is that you cannot have it all ways. You cannot say, "I want to farm, but not crop. I need houses, but not in my neighborhood." Let us get real here. If you are going to use it as agricultural land, then plant something. Farm it or sell it. I do not care if it is at the farmer's market at this point. I would like to see it being exported, but if you are going to sell it at the market, at least you are saying you are farming and not over there with wild guinea grass. As far as the rock foundation, they put houses at South Point; cheap ones, not that expensive. You can buy one for fifty thousand dollars (\$50,000). That rock is way harder than Po'ipū. I will be back if I have to.

Ms. Cowden: Felicia Cowden, for the record. I wanted to just comment on two (2) points that were raised. I appreciate that the discussion is

underway. I do think the request for looking at the attendance on the Citizens Advisory Committee for the General Plan has some real merit and value...I mean...

Council Chair Rapozo: Just continue. Please, Councilmember Yukimura.

Ms. Cowden: Okay. Well then maybe that is a little different, because I have gone...alright. I am going to pull that one back. When I am looking at this, I am looking at how it affects the whole General Plan Update. I think that the consultant who is coming in for that was really great. What I am noticing is that there are not very many citizens who are actually there on that advisory committee and going out to the meetings. As an example of what we saw last week when Jean Souza spoke with the 'Ele'ele-Hanapēpē testimony, where they had been left out of the consideration. I do not think that was intentional, but it is really important because people cannot always make it to the meetings. I just want to say that I applaud looking at those things. I am also very appreciative of the emphasis on affordable housing. Last week, I went to the Kaua'i Planning & Action Alliance (KPAA) and it was a very excellent housing event. Marie Williams was there, as was Kamuela Cobb-Adams, and they underscored what a crisis the housing is, and it is. I was thinking about that even as we were talking about the council city manager type of thing. Housing is huge and when we need something like State lands, it is probably about the only way that we can have something where we can bring these costs down and that we need to look at that. The point was also brought that the lease runs through the extension of the vision of the plan, but what we are seeing is that these plans do not get updated on schedule. There might be twenty (20), thirty (30), or even forty (40) years in the Hanapēpē area. Also, what I know as a former business person is that leases fail early. People die, people sell, and people have reasons to stop and usually they are looking for a win-win and financial exit out of a lease if it is no longer appropriate. I am applauding all of the effort that has happened and I am just saying that I value the discussion and that it is not just a rubberstamp, because it is very important when we look at particularly State lands that we are considering it, because housing is a crisis and I really welcome that discussion. I am sure that will be coming up. Thank you.

Council Chair Rapozo: Thank you. Anyone else? Matt, do you want to come back up?

Mr. Bernabe: Matt Bernabe. The last thing I want to add is that any plan moving forward for ten (10) years, twenty (20) years, thirty (30) years, or one hundred (100) years—I want to see more about the water, drainage, sewage, treatment plants, and all of the above. If I remember correctly, I only saw that number 18 that addressed this. I really do not see strong language either way. If you are going to farm that land, we need water. If you are going to put houses on the land, you need water. I think any decision that we are moving forward with should have at least twenty-five percent (25%) to thirty percent (30%) of discussion about infrastructure and a majority of that being water. I support houses. I support farming. If you are going to call it farming, then farm. If not, that would be a perfect area for houses.

Council Chair Rapozo: Thank you. Anybody else? If not, the meeting is called back to order. Further discussion? Did you want to introduce your amendment, Councilmember Yukimura?

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: I have a couple that I am ready to introduce based on the information I have received. I have another amendment that I would like the lunch time to prepare.

Council Chair Rapozo: Let us do the technical amendments first. Do you have technical amendments? Councilmember Kagawa.

Councilmember Kagawa: I have a question of Councilmember Yukimura and Felicia, as they brought up their concerns about the attendance and who was in there. What is the relevance of who attended and what meetings?

Councilmember Yukimura: Well, there has been so much deference to CAC decisions. I do not even know if there were actually decisions. I would like to see if things were voted on. In speaking with some of the CAC members, they said that attendance really waned towards the end, which I presume would be the time where CAC would make decisions. I wanted to see what the discussions were, what the concerns were, and how much consensus there was. That is why I wanted to see the minutes and the attendance.

Councilmember Kagawa: I think the CAC probably had a guideline as to how the members would come to a decision or agreement, but whether each member's vote on every single item is in the minutes...I highly doubt it. But we can look for the minutes. What I am saying is if they took a vote on every single item in the plan, I think the minutes would be incredibly long. I think there was some guideline, so if we have a process question as to how the CAC operates, then perhaps that is a different agenda item. That is just how I feel.

Council Chair Rapozo: I think Councilmember Yukimura did ask from the Planning Department, but it was done yesterday, so it is not reasonable to expect a response today for all of that, especially since they are working on amendments. At the end of the day, the CAC actions and the actions of the community all funnels down to this body, the Council, and the audience and the public. They have every opportunity to come here or submit testimony, and we have received testimony as well. It is very difficult to use the CAC process, individually at every meeting, each meeting, because like at our meetings, sometimes we have two (2) people in the audience and sometimes we have twenty (20) or thirty (30). We still take action based on what we believe is the right thing to do, same as the CAC. I appreciate the request for the information, but I do not know if we will get it in time. We will have to make a decision at some point. Councilmember Hooser.

Councilmember Hooser: I agree that there has been a lot of emphasis on not changing anything because we do not want to violate the spirit, if you would, or the process of the CAC, so I think it is a very reasonable request to know how involved the CAC actually was and just the presence of people there, whether there were two (2) people, five (5) people, or twenty (20) people from the CAC at the meetings, especially towards the end. I think it is relevant and I certainly think it is reasonable. I would hope that there would be minutes and attendance records kept on a regular basis during the whole process. So it is just a matter of going through the file and looking at the last scheduled meetings. I am sure there is a record of those scheduled meetings, where you can pull out those minutes and look

at it. I do not see it as being a burdensome process if attendance records and minutes were kept and they are there in the file. I do not see why that would be hard to get. I think it is perfectly reasonable to ask for that, given the emphasis that has been placed over and over again on "the CAC did this" and "the CAC supported this." I think it is a good question and a reasonable one and we should be able to find that information out. Thank you.

Council Chair Rapozo:

Councilmember Yukimura.

Councilmember Yukimura: I am not making any presumptions about what happened. I just want to see what happened. But understanding that the minutes may not be ready, I then asked for what I thought was a much simpler task, which was just getting the top sheets, which is the attendance sheet at every meeting. If that is not produced, then I have some serious questions about what information is being withheld, actually.

Council Chair Rapozo: Thank you. I was just reminded that we did not have a motion. Can I get a motion?

Councilmember Kagawa moved for adoption of Bill No. 2576, Draft 1, on second and final reading, and that it be transmitted to the Mayor for his approval, seconded by Councilmember Kualii.

Council Chair Rapozo: We are back at the main motion. I guess my response would be that this has been on the floor for months and to ask for these attendance records the day before the final vote might be asking for too much, granted it seems an easy task, but I can tell you that we have a staff and they are busy. It is very difficult when a request comes in from anybody, for that matter, that they want this information by tomorrow. It can be tasking. You guys had a lot of meetings stretched over a long period of time. I agree that I do not think that attendance sheets should be very difficult. I would assume it is some folder someplace, readily accessible. But I do not know that. Only you can provide that. I would agree that that should not be something that would take very long to get. Councilmember Kagawa.

Councilmember Kagawa: I think it is not to say that attendance and minutes I do not feel is important, but like you mentioned, we have been through three (3) long Committee Meetings and if there was a question as to the Committee or the Council whether the CAC is really made up of a group that is coming to a decision and questioning the process, then certainly waiting until all three (3) Committee Meetings have been decided on the amendments, and then having this request made the day before the second and final reading of this Bill, to me, is asking for a little too much. Actually, if it was that important, we should have done it much earlier in the process and that kind of echoes what you just said. Thank you, Chair.

Councilmember Kualii: I just want to add that it was two (2) years' worth of meetings. Some of the meetings were probably well attended and some of them probably were not well attended. I think we have to trust our Planning Department who facilitated these meetings and the consultant who put this wonderful plan together with all the detail, *mana'o*, and guidance that is included, and at this very late point, we are about to do the final vote on what we have been working on, even us as a Council for quite a while now, to start asking about who was really on this, sort of seems to be to delegitimize what the results of the plan is

at this late stage. I think that is wrong. As a community organizer and somebody who showed up to a lot of meetings as a citizen and many who have also missed a lot of meetings, I do not want to ever delegitimize the meetings that do happen and the people that make the time to show up, participate, and give their *mana'o*. I do not distinguish between landowners, stakeholders, and citizens. We all live on Kaua'i and we all love Kaua'i. We all show up with our interest at mind and the interest of our families, friends, and neighbors, and that all makes sense. That all has to be included in the final plan, whether it is positions that I agree with personally or not, I agree that everyone should be included. I also agree that we have to support the citizens that show up and encourage the ones who do not to show up and participate. It is not good enough to just show up at the end and criticize the people that did do the work, even though that is part of the process, too, and we try to learn from that, too. Thank you.

Council Chair Rapozo:

Councilmember Chock.

Councilmember Chock: Thank you, Chair. I will not be supporting a deletion of the designation if that is where the amendment is going to lead to. I would support additional language that would look at considering the lease and how we might move on it if it were to end. I just wanted to state that up front if we are moving in a direction of an amendment. I think I stated before that I want to honor the work that the CAC has put together, and this is what they came up with and there is a reason for it. Do not take it out, but if you want to add some verbiage that will help to move it in a direction, I will be supportive of that.

Councilmember Chock moved to amend Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 2, seconded by Councilmember Kagawa.

Councilmember Chock: Thank you. These amendments are eight (8) in total. Sorry, I thought it was three (3), but it is eight (8). They are from the staff. The first one is just a capitalization on "p" in the word "plan." These amendments are to help transition where we are headed with the finalization of this Bill into an ordinance, so we are changing some of the language there. There is a typographical error in number 6 that needs to be changed, "ZM-KO," which was a zero and should be an "O." Numbers 7 and 8 are the elimination of the word "proposed" because it would no longer be proposed. These are technical in nature for your consideration. Thank you.

Council Chair Rapozo: Okay. These are purely technical and not substantive at all. There is a motion and a second. Any further discussion?

The motion to amend Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 2 was then put, and was carried by a vote of 6:0:0:1 (*Councilmember Kaneshiro is noted as recused*).

Council Chair Rapozo:

Motion carried. Any other amendments?

Councilmember Kagawa moved to amend Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 3, seconded by Councilmember Chock.

Councilmember Kagawa: Mr. Chair, this is your amendment, which includes the Hawaiian place names. Basically, I believe you got this information from the Planning Department. I do not know if we need to go over all of them.

Council Chair Rapozo: I do not believe so. This information came from Mr. Blake, correct? Okay, thank you. Any further discussion? Councilmember Yukimura.

Councilmember Yukimura: I love that we are going back to Hawaiian names. Is this just a table or are we making changes every place the names show up?

Council Chair Rapozo: It would be just adding the changes.

Councilmember Yukimura: Okay, so we are not substituting "Punahoa" or "Lae o Ka'ōpua" for "Po'ipū Beach?"

Council Chair Rapozo: No. If you read number one, it says, "Amend page 3-14 through 3-16 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft, as amended by the Planning Committee on April 15, 2015 and May 13, 2015), by amending Table 3-2: Coastal Area Descriptions, columns 'Coastal Area' and 'Place Names' only, in pertinent part as follows..." This is just to amend or change the table and the map. Councilmember Chock.

Councilmember Chock: I just have a quick question. I am not sure who completed the amendment. My understanding is that the place name is followed by what it is known as today, which is like "Kūhiō Park" over here and "Hō'ai Bay."

Council Chair Rapozo: Correct.

Councilmember Chock: So is that how it is referenced in the plan is my question. Is it "Kūhiō Park" in everywhere of the plan? Is there continuity there, I guess, is my question?

Council Chair Rapozo: I think the intent was to just have the accurate name or Hawaiian place name for the areas that are listed in the plan in various places. That became apparent when Mr. Blake testified quite passionately about the misnaming of the beaches. A lot of the beaches have taken on its own name. I think it is important to keep the local name like "Po'ipū Beach" versus the true name, but I think it is also important that we have a reference to what the actual name is. It is exactly that. Councilmember Kagawa.

Councilmember Kagawa: I guess my question, along the lines of Councilmember Chock, is that for the table names, we have accurately identified the Hawaiian place names, but in the plan itself, it may not necessary have been changed.

Council Chair Rapozo: Correct. It will not be changed in the plan, just the table.

Councilmember Kagawa: I am okay with that. Thank you, Chair.

Council Chair Rapozo:

Councilmember Hooser.

Councilmember Hooser: My concern is a similar one that some of these areas might be defined and the definition may not necessarily match the same, in terms of geographical definition. For example, the definition of Po'ipū Beach Park may be from Point "A" to Point "B," but the Hawaiian names may be different, in terms of geographical definition. It is my understanding that sometimes place names and other designations differ from a period to another period in history. Were there others brought in to confirm these names as to the most recent history or to the ancient history? I am not Native Hawaiian, but I understand there are debates sometimes over geological locations and naming among the cultural practitioners.

Council Chair Rapozo: No, this was actually sent in by Mr. Blake, I believe, last night. He does cite some...if you look on the bottom of the amendment in the shaded area of the chart or the table, there is the source, "US ACOE Coastal Resources Atlas," as well as "UH SOEST 2009," so there is some reference to a source, but this has not been vetted out by any cultural practitioner. That is a good question. Councilmember Kagawa.

Councilmember Kagawa: I think if we have any questions on these place names and appropriateness, in the absence of Mr. Blake, I think Mauna Kea is willing to help us clarify maybe some of our misunderstanding or questions. Thank you.

Council Chair Rapozo:

Councilmember Kualii.

Councilmember Kualii: I would just add that it is an improvement. We get information, you add it, and we improve it. We have both names. As we go forward, if it is down there, it is written not only in the table, but it is on the map as well. When I look at the map and I look at where it used to be indicated as Po'ipū Beach Park, it also has "Po'ipū Beach Park" and "Kaho'oleinakapua'a Bay Beach," so the two (2) names are listed right there right next to each other, and I see that as an improvement. More information is good. If a cultural practitioner will step forward and bring us information to correct it, then as we go along we can improve it further. For me, this is definitely a step in the right direction. The more original Hawaiian place names we can put with the different places in our work, especially in plans and maps from the County, I think the better. Thank you.

Council Chair Rapozo: Any further discussion? Anybody in the audience wishing to testify?

The motion to amend the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 3, was then put, and carried by a vote of 6:0:0:1 (*Councilmember Kaneshiro was noted as recused*).

Council Chair Rapozo: Motion carried. Any other amendments? Also, the information that was provided by Mr. Blake was incorporated into the amendment by the consultant, so we did utilize the consultant. Councilmember Hooser.

Councilmember Hooser: Someone may have already said this, but I wanted to thank Mr. Blake for putting in the time, energy, and thought. Also, thank you to the Chair for making the recommendation, too. Thank you.

Council Chair Rapozo: Thank you. I do want to thank our staff. Jenelle was stressed out this morning because all of the amendments came in last night and she is trying to honor the wishes of the Council of getting this passed. Thank you very much staff, and Jenelle, especially. Any other amendments? Councilmember Yukimura.

Councilmember Yukimura: Yes. I have an amendment on affordable housing.

Councilmember Yukimura moved to amend the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 4, seconded by Councilmember Chock.

Councilmember Yukimura: Thank you. This amendment is a very simple, clear policy statement about affordable housing. I am proposing to put it in the policy section of the plan, which is Chapter 4, entitled "Policies and Guidelines." "Housing is one of the most essential components of a community plan. Without sufficient housing for Kaua'i residents"...by that, I mean housing that Kaua'i residents can afford. "The Community is not whole and cannot function well. In fact, the lack of affordable housing causes a lot of suffering in the form of crowding or when families must pay an exorbitant percentage of household income for shelter when suffering from the instability of having to move often, suffering in the form of stress and distress, and suffering in the form of homelessness. As was discussed at the recent KPAA panel discussion, housing at prices local residents can afford is one of the biggest and most tenacious challenges facing our community. A community plan above all is a policy document that sets the long-range direction for a community." What is the housing policy in the South Kaua'i Plan? There is some discussion, but not a real clear statement. I am proposing and request your support for the amendment, which is a simple, clear affordable housing policy statement. It reads, "Provide affordable housing, especially in the Kōloa-Po'ipū area, a major jobs center on the island, through policies and actions that ensure sufficient affordable housing in the region on a long-term basis."

Council Chair Rapozo: Councilmember Chock.

Councilmember Chock: I will be supporting this amendment without the quotations in front of letter "a."

Council Chair Rapozo: That is a misplaced 'okina. I am not sure how that floated over there, but needs to be taken out.

Councilmember Yukimura: Sorry, I do not even see it. Where is it? Now I see it.

Council Chair Rapozo: Any further discussion? You would hope that this is a standing directive for the County in general that we should always be providing affordable housing or trying to. I have no problem with it. It just reinforces the policy and it just makes it a little clearer. Councilmember Kagawa.

Councilmember Kagawa: Like you, I feel like this is a general statement. I think the prior language was sufficient. I do not think we need this extra emphasis to look at this. I think this is a “no-brainer” that is already included in our County priorities. Therefore, I will not be supporting this. Thank you, Chair.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: I do not think we can assume something that is facing us as a crisis. I think there has to be a clear policy statement in the South Kuaʻi Community Plan, especially because it is an area of such high priced land that if we do not focus on it, we are likely to get housing, but not affordable housing. That is why I think we have to have a clear end in mind and that is what I am trying to do. It is not meant to negate anything in the plan. All it does is to add some emphasis and add to what is a good plan.

Council Chair Rapozo: Any further discussion? Any public testimony? The rules are suspended with no objections.

There being no objections, the rules were suspended.

DOUG SMITH: Doug Smith, for the record. As part of this amendment and actually the whole general thing of affordable housing and any kind of construction, I would like to see the Council adopt a policy wherever possible to direct planners, architects, or anybody funding to make all construction fit into what is already naturally here. That is it. Thank you.

Council Chair Rapozo: Thank you.

Mr. Smith: It is a policy that should be all the time, everywhere. For any kind of construction at all, it should fit in. Thank you.

Council Chair Rapozo: Thank you. Anybody else? Felicia.

Ms. Cowden: Felicia Cowden, for the record. I do want to support this item “e” that explicitly puts the policy statement there. While I can understand what Councilmember Kagawa is saying that we all know that that is inferred throughout this, in ten (10) years to twenty (20) years we can have a very big replacement of the population and big changes and I think we do well to have an anchoring that really puts the emphasis on being able to have housing. When it is put specifically into the Kōloa-Poʻipū area, relative to that being a job center, I think that is also very important; otherwise it gets pushed further and further out. So I support that and I think it is a policy that is important around the island.

Council Chair Rapozo: Thank you. Anyone else? If not, I will call the meeting back to order. Further discussion? I will say that affordable housing is a relative term, “affordable.” What is “affordable?” Affordable housing here is not affordable. We have to make every attempt to provide affordable housing, but in my experience here on the Council, I think the Council has done a great job, as far as when development comes up. We put the requirements and they go out, develop their project, set aside affordable housing, and then the people that need affordable housing do not qualify, so they bump it up to the next income category, to the next income category, and all of a sudden, you get six (6) figure income people purchasing these units. That is not affordable. We have to do a better job. The other segment of the community is the homeless people. We need to reference that and entertain

that as well and we need to start looking at how we are going to get the right people in their right homes, and not the fact that we are building the structures and putting it on paper that it is affordable when it is really not affordable. What is affordable? What is affordable to you may not be affordable to me. I could not afford...I have three (3) incomes because I work multiple jobs, but my family...we do not qualify. I would qualify on paper, but I would have a difficult time paying the mortgage on an "affordable" home. That is the first priority. Yes, we have to make that available, but we have to better define what an "affordable" unit is and maybe we have to deviate what the Feds say is "affordable," because it is not the same for Kaua'i. A gallon of milk on the mainland does not cost eight dollars (\$8) or nine dollars (\$9). It is different. I think that is the direction that we have to take. On July 15th, we are going to be putting an item on the agenda to talk about those things because I think the discussion needs to start and really get into a much better dialogue. I will be supporting this. I think it is clear that we have to send the message. Basically, we cannot just "talk the talk," but we have to "walk the walk." Councilmember Yukimura.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Yukimura: I did try to define "affordable" in the amendments that were rejected in Committee and I also had a line about long-term affordability, which I think is a really legitimate point that you have raised, Chair. I want to just note that they were rejected in Committee, so I have tried to keep a very simple statement here because I think we need something. Your points are well-taken in terms of actually achieving affordable housing. That was my intention with the amendments.

Council Chair Rapozo: Thank you. Councilmember Hooser.

Councilmember Hooser: Thank you, Chair. I appreciate you raising the comment about "what is affordable and what is not affordable." I think as it has been said earlier, this is a crisis situation and I am strongly in support of this amendment. In the spirit of your remarks, I would support a further amendment to provide affordable housing for one hundred percent (100%) of median income or below, as defined by our Housing Agency. I think that means half of the people on the island would be able to afford it. That is the median income. I think that would send a much stronger message and make it really clear that we want at least half the people in this community to be able to afford the houses in this area. If we want to send a strong message, that would be the one, in my opinion, to send. I would be happy to ask staff to prepare that further amendment if there was support of the Council to do so. Thank you.

Council Chair Rapozo: Thank you. Councilmember Kagawa.

Councilmember Kagawa: I think you talked about why the amendment did not pass in Committee and I think generally there was a feeling that it is an overall housing issue that should be addressed in the overall County Housing Agency plan and it does not belong in the South Kaua'i Community Plan. That is the reason. It is not, "We rejected the amendment because we do not believe in the information that was in the amendment." There are certain time and places for things to fit. The South Kaua'i Community Plan is not a place to address an overall housing plan. What is affordable and effective for the County of Kaua'i and the affordable housing issue should be in the Housing Agency's overall plan for the

island. I just think that it is not the appropriate place for that kind of language to be in. I think it takes away from the intent of the community plan. Thank you, Chair.

Council Chair Rapozo: Thank you. I think that was well stated when we had that discussion that it was simply that we believed it was a housing plan or a housing policy issue or concern. Councilmember Yukimura.

Councilmember Yukimura: It is interesting that your points point out that in a policy, we need to have clear definitions. I just want to say that the proposed amendment in Committee said, "Emphasis should be on housing for families whose household income does not exceed one hundred percent (100%) of median income and protect affordable housing in perpetuity from market forces that will negate its affordability." The decision was made in Committee. If there is one more vote here, I am happy to propose it. On the table right now is a more generalized statement, which actually is not a sufficient policy statement because it does not have a definition, but I think it is better than nothing.

Council Chair Rapozo: I would agree that we need to make it a tougher policy statement. I am just saying that I agree with Mr. Kagawa that this might be a good time to revisit the County Housing policy. What Councilmember Hooser just talked about...I think right now I want to support it. I do not know what the impact will be. I do not know what would happen if we made that a requirement with the numbers. I remember former Council Chair Asing used to always say, "You are going to make it so tough when we do these conditions of development and we are not going to get development, which means that we are not going to get housing." We are going to be so strict...yes, we will get the toughest housing policy in the world, but we are not getting any homes because it is too tough that the developer cannot make money. We have to be careful. Just shooting off the numbers, I think it might be premature, but I believe that we should have that discussion and I believe that the Countywide Housing policy should be the venue because then it covers all areas, not just Kōloa-Po'ipū. Again, as I stated, the homeless component needs to be discussed; the "houseless" component needs to be discussed, but that belongs in the Housing policy and not in the community plan, in my opinion. Councilmember Yukimura.

Councilmember Yukimura: I want to say that we have an Affordable Housing Task Force that has been working on the issue and will be at some point issuing recommendations for amendments to our Housing policy. But the emphasis on families that does not exceed one hundred percent (100%) is in line with much of what we are doing. Kolopua and Rice Camp are all below one hundred percent (100%) of median income.

Council Chair Rapozo: Okay. We are back to the amendment. Any further discussion?

The motion to amend the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 4 was then put, and carried by a vote of 4:2:0:1 (*Councilmember Kagawa and Councilmember Kualii voting no; Councilmember Kaneshiro was noted as recused*).

Council Chair Rapozo: Motion carried. Anymore amendments?
Councilmember Yukimura.

Councilmember Yukimura moved to amend the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 5, seconded by Councilmember Hooser.

Councilmember Yukimura: Thank you. This amendment would amend Section 6.6 on monitoring the Special Planning Areas (SPA). The plan as it stands right now says that once the South Kaua'i Community Plan is adopted, monitoring for the SPAs should occur annually for at least five (5) years to determine the effectiveness and ease of implementation. So all I am adding here is a specific report back to the Council, "Annual reports shall be transmitted to the Planning Commission and County Council," so that we can be informed of the annual monitoring. Then when it turns to five (5) year reviews, then the reports would be five (5) year reports.

Council Chair Rapozo: Any further discussion? Anybody wishing to testify on this amendment? Councilmember Kagawa.

Councilmember Kagawa: I have a question for Planning.

Council Chair Rapozo: Okay. With no objections, the rules are suspended.

There being no objections, the rules were suspended.

Councilmember Kagawa: Please check with your staff because I know a lot of the legwork gets done by your staff, but is this amendment a problem? Do you feel like the current language still allows you to get what is being amended done, like do we still get access to annual reports without putting in this language? Again, I do not want to put in an amendment that just really unnecessarily causes unnecessary staff time. That is my concern, if you could just give your honest opinion.

Mr. Dahilig: We do not see an issue with it. We do annual reports as part of the Lihu'e Town Core plans with the Planning Commission. It is not something that we are not used to.

Councilmember Kagawa: Marie?

Ms. Williams: Yes, I do not see a problem with it, but thank you for asking and considering our needs. I think it is acceptable.

Councilmember Kagawa: Thank you. Thank you, Chair.

Council Chair Rapozo: Thank you. Any other questions? If not, I will call the meeting back to order. Further discussion?

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to amend the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 5 was then put, and carried by a vote of 6:0:0:1 (*Councilmember Kaneshiro was noted as recused*).

Council Chair Rapozo: Motion carried. Next amendment.

Councilmember Yukimura: Mr. Chair, I have one more amendment, but I think it will take considerable discussion and in looking at the time, it is probably better to be done after lunch.

Council Chair Rapozo: Okay. Is it a complicated amendment?

Councilmember Yukimura: Yes.

Council Chair Rapozo: Maybe we can at least introduce it, and then we will take the break. At least we can digest it, so it can ruin our lunch. Just kidding.

Councilmember Yukimura moved to amend the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 6, seconded by Councilmember Hooser.

Council Chair Rapozo: Do you want to give a brief, quick overview?

Councilmember Yukimura: Yes, this is an amendment that has been seen before, but I have new information. It would be to withdraw the wording "Future Growth Area." Can we have the map up?

Council Chair Rapozo: Yes, we can do that after lunch.

Councilmember Yukimura: The map is attached. You have seen it before, but as I said, I have new information, which I will share after lunch.

Council Chair Rapozo: "If at first you do not succeed, try and try again."

Councilmember Yukimura: Well, you and I have not been on the record in voting, and also the new information.

Council Chair Rapozo: With that, we will take our lunch break at this time and we will be back at 1:30 p.m. We have a public hearing at 1:30 p.m., which should not last long, and then we will go right into this matter right after the public hearing.

There being no objections, the meeting recessed at 12:28 p.m.

The meeting reconvened at 2:02 p.m., and proceeded as follows:

Council Chair Rapozo: The meeting is called back to order. We left off with the introduction of Councilmember Yukimura's floor amendment. Councilmember Yukimura, you may have the floor.

Councilmember Yukimura: Thank you. So as we have seen before, I am proposing to remove the wording...can I get the map up first? Sorry. I am going to the wording next. Thank you. So this is the land use map proposed in the South Kaua'i Community Plan and the only thing I am proposing is to remove this wording "conditional future growth area" and the text that goes along with it. The reason I am doing that is because the mapping and the text are contrary to existing General Plan policies. Can we get that on the screen now? This is taken verbatim from the General Plan 2000, which is the plan that is presently in effect, and these are the relevant policy sections. I will start reading them. Under "Basic Policy, the following are the basic land use policies for preserving Kaua'i's rural character." There are three (3) of them: "a," "b," and "c," but "c" was not relevant. "A. enhance urban centers in towns and maintain their identity by defining the town center and edges of each town; encourage residential development within these centers and in residential communities contiguous to them." "B. promote compact urban settlements in order to limit public service costs and to preserve open space." Then there is "Policy for Future Growth," which is what we are talking about and the relevant policies are: allow incremental growth of towns contiguous to existing development; support infill development; expansion contiguous to an existing town or residential communities preferred over a new residential community; and limit the development and dispersal of new agricultural communities through zoning regulations." So if we can go back to the map, you will see that the proposed future growth area is outside of the regular areas of Kalāheo and Po'ipū and is in the middle of prime agricultural land. "It represents a classical leapfrogging that disperses growth, reduces the agricultural value of agricultural lands, increases the cost of government in providing services and infrastructure, and creates more traffic." Also, to my knowledge this designation of a "new growth area" so-called "placeholder" is unprecedented. It has never been done before to my knowledge. Other designations say this is what we want over the next twenty (20) years, but conditional future growth area is a maybe and I feel we should not put a new growth area unless the community is sure that growth is wanted there. We do not even know what kind of growth. Is it to be a whole new town with services and mixed use? Is it to be country estates? What will be the impacts on fishing, agricultural land, and traffic? How will kids walk to school? How will the elderly get services? One of the answers is that the CAC vetted it thoroughly and wants it there. I did have a chance to speak to three (3) people in the CAC who say...I think is three (3) out of eighteen (18) because I was not able to reach all of them, who say that they do not agree with the designation and that there was no robust discussion; that when questions were raised about water drainage and solid waste, no answers were given; and that it was mainly a landowner push and there was no real scrutiny as to whether this is in the best interest of the community, especially the west side community. I do not believe there was ever a Citizens' Advisory Committee vote on this specific proposal, but I cannot tell because I have not been able to read all of the minutes. But it does not appear to have been a very thorough process and so it makes little planning sense to me to put in a contingent future growth area designated. I also want to say that I was given a map of the adjacent area in Po'ipū...sorry, Port Allen in Hanapēpē, and this is a proposal, apparently, that Alexander & Baldwin, Inc. (A&B), is considering, which begins to explain why they want this growth area here, but this growth area should not be considered in isolation and really needs to be considered as part of the whole proposal, which is a massive proposal for the west side. These have multi-family, single-family, schools, and all kinds of things. It would be appropriate to consider this aspect, if it is part of it, in its totality and not as a real undefined piece, as it is in the South Kaua'i Community Plan. The proper time is when the Hanapēpē-'Ele'ele Plan is updated

or when A&B chooses to make a land use proposal, but not a “little tail” that is being considered as an increment and not in its totality.

Council Chair Rapozo: Thank you. The motion and second was made. Any discussion? Any public testimony on this amendment? Mr. Bernabe. I will suspend the rules if there are no objections. Again, it is on the amendment.

There being no objections, the rules were suspended.

Mr. Bernabe: This is pulling it out, right? I saw the brackets. I just want to go on record that I support withdrawing this language from the South Kaua'i Community Plan on the grounds that it looks conveniently suspicious that the boundary line is drawn for Hanapēpē and 'Ele'ele conveniently for A&B. That is what it looks like to me, because right on the other side of this line is the majority of the community. So as you point out, absolutely, let us get more from the entirety of Hanapēpē and 'Ele'ele in on this and if that is what they deem they want, that would be it. But the way this one was written, it just looks like A&B's interests. I am glad you are pulling it out and that is it, unless there is anything else I am missing. You are pulling this out, right? Perfect.

Council Chair Rapozo: Hang on. I want to make sure that you understand. We went through this during the last time.

Mr. Bernabe: Yes, I saw the brackets this time.

Council Chair Rapozo: Do you have a copy of the amendment?

Mr. Bernabe: Yes. Is this the one that Councilmember Yukimura just put out?

Council Chair Rapozo: Yes.

Mr. Bernabe: Okay.

Council Chair Rapozo: I just want to make sure that you know that what is being removed is removing the...right now, what it is saying is that that future growth area, which is being removed, but in this existing language, “The future growth area is shown as a placeholder and would be further defined as part of the future Hanapēpē-'Ele'ele Community Plan update.” They are going to let the Hanapēpē and 'Ele'ele community decide the future of that.

Mr. Bernabe: I support that one hundred percent (100%).

Council Chair Rapozo: That is what I thought I heard you say, but you are saying to take this out.

Mr. Bernabe: I support that, right?

Council Chair Rapozo: So you do not support taking that out?

Mr. Bernabe: Well, I support this amendment to take it out of the South Kaua'i Community Plan.

Council Chair Rapozo: Well, it takes everything out of the South Kaua'i Community Plan, which means that with the language in, it sets that parcel or that area in a placeholder status. Let me continue to read, "No projected residential growth for South Kaua'i has been allocated to the area as a part of this community plan update and the zoning will not be amended as part of the plan. It is therefore left in Agriculture..." which is what I thought I heard you say the last time, "...on the Land Use Map. Its rough boundaries are shown as a placeholder and the area will further be defined during the future Hanapēpē-'Ele'ele Community Plan update." That is what is existing and that is what is proposed to be taken out. I just want to make sure you understand that taking that language out is, in my opinion, opens it up. I do not want that. I want that future growth area to be determined by the Hanapēpē-'Ele'ele community.

Mr. Bernabe: That is what I agree with.

Council Chair Rapozo: That is what I thought I heard you say, but you are saying to take this out, that you agree with removing this.

Mr. Bernabe: Let me just clarify what I am trying to say. I am trying to say that if that area, that to me looks so conveniently drawn into the South Kaua'i Community Plan, is to be left up to the south shore community, then I disagree with that. I think the rest of the community should dictate what goes over there. That is what I am trying to say.

Council Chair Rapozo: Right. In essence, you agree with the language that is in there because it is telling us that it is going to sit there in place, so it is not going to be rezoned and remain in agriculture until the Hanapēpē-'Ele'ele community plan comes about.

Mr. Bernabe: Correct. I support that community. If they decide that they need more homes and they want A&B to move forward, I may feel different then and argue against it at that time, but for due process sake, let them have the final word, not somebody from Kapahi.

Council Chair Rapozo: That is what the existing language provides for.

Mr. Bernabe: Exactly.

Council Chair Rapozo: Thank you. Councilmember Hooser.

Councilmember Hooser: I have a question for Mr. Bernabe. I know you like questions.

Mr. Bernabe: I like questions.

Councilmember Hooser: That is the beauty of this Council, which is that seven (7) of us could look at the same words and come to different conclusions. The existing amendment, before we take it out, says that the future growth area is a general designation for an area envisioned by A&B Properties, Inc., so it is exactly what you said, that this is an area envisioned by A&B Properties.

Mr. Bernabe: Correct.

Councilmember Hooser: Like the Chair says, it says that once it is put on the map, which is being proposed originally, once it is there, then the community can further describe what they want there. This amendment says that it does not go there. The community puts it there if they want to do it later. That is the difference, I think, that the proposal by Councilmember Yukimura takes out that general designation. If the community wants to put it back, then that is fine. Without Councilmember Yukimura's proposal, the area is there and the only right the community has is to further define that area. I do not know if you understand my perspective on it.

Mr. Bernabe: So what you are saying is that by removing this is exactly what A&B wants. Is that what you are trying to say?

Councilmember Hooser: No. A&B wants us to leave this in.

Council Chair Rapozo: I would not speak for A&B. I do not think it is appropriate to speak for A&B. This has nothing to do with A&B.

Mr. Bernabe: I disagree.

Councilmember Hooser: I have the floor, I think.

Council Chair Rapozo: I know, but you are speaking for A&B and I do not think that is appropriate, Councilmember Hooser.

Councilmember Hooser: I have the floor.

Council Chair Rapozo: I understand, but...

Councilmember Hooser: The present language says "A&B Properties." It is specifically there, so I think it is perfectly appropriate to mention A&B Properties since the language is there.

Council Chair Rapozo: The argument is not mentioning A&B, but you are saying that A&B wants the language. That is a speculation.

Councilmember Hooser: I think it is a very...

Mr. Bernabe: For the record, I am feeling the same speculation because when I read this, I do not see Hanapēpē community. The words "envisioned by A&B" are spooky to me. This is real spooky. Just to get an understanding here, if you work in Kōloa and you live in this little neighborhood that is right in front of the coffee thing, because the coffee center is that little community right there offset, the old plantation, right? That is one and half (1.5) miles to get to your job in Kōloa, unless you are planning on making a coastal run. I am not sure. Maybe I am confused on all of this legal jargon, but just for simplicity of this, maybe we need to redraw the map, is what I am saying. It does not make sense to me that this little sliver of Hanapēpē is excluded from the overall, so it is like two-thirds of Hanapēpē-ʻEleʻele is here and you have got A&B's isolated one-third. That is how I see this. That is all I am trying to say.

Councilmember Hooser: Thank you.

Mr. Bernabe: Whenever all of you *hui* up and figure it out, A&B should not get to call the shots. That is all I am saying.

Council Chair Rapozo: Thank you. Anybody else? If there is no other testimony, I will call the meeting back to order. Councilmember Kagawa.

There being no objections, the meeting was called back to order, and proceeded as follows:

Councilmember Kagawa: Thank you. Again, this is a community plan, also in working with Marie and the Planning Department over two (2) years. They developed the plan. A&B did not develop the plan. Maybe they helped participate in the plan, but certainly it was a community-based plan. We heard from Mr. Blake last week about us making substantive changes, which this would be a substantive change. The community did not say to take this language out. The Council is now proposing to take the language that the community wanted in. So to me, let us respect the process. Let us not make it "Councilmember Yukimura's" or "Councilmember Hooser's community plan." This is the South Kaua'i Community Plan. Substantive changes should not take place. It is disrespectful to the community that worked for two (2) years on it. I think I can respect and value their judgment on an issue like this. That is where I stand. I will not be supporting this amendment.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: I want to say that removing the text does not take away anything from the Hanapēpē-ʻEleʻele community. Through the plan process for their area, they will have all of the say they want to. To say that we need to keep this language in so that they will have the right to talk about the development proposals is not true. We do not need this language to give them the right to speak about the proposal. In fact, it gives a clean slate instead by taking the words out and letting them determine what they want, rather than trying to guide their discussion. We are talking about the integrity of the General Plan in my mind. The plans do not mean anything unless we follow them and this is about the principles, guidelines, and policies of the General Plan that we need to follow. I am not taking away the designation of village. I am not proposing to do that. That remains because that reflects an existing condition, which is the urban zoning, which was given by the Land Use Commission several years ago. The only thing that I am removing or proposing to remove is the language "future growth area," which I believe is contrary to the General Plan principles and to the integrity of our island planning.

Council Chair Rapozo: Any other discussion?
Councilmember Kualī'i.

Councilmember Kualī'i: I think I would just say that it does not give or take away anything from the Hanapēpē community and it does not give or take away anything from A&B as well. A&B is a part of this process because they are the landowner. Ultimately, if they propose housing or anything that would benefit the community, it will only happen with the community's support and there are processes for that like the approval, the permitting and working with planning and zoning. This just the plan of what the community came up with and yes, A&B was a part of that process; of course they are. They are the landowner. So a willing landowner could help us with open space acquisition. A willing landowner could

help us with housing developments and affordable housing developments. A willing landowner could help us with agricultural cooperatives. Just because A&B is a landowner, that does not mean that they are bad and should not be part of the process. Let us stop that. They are part of the community. Yes, Councilmember Yukimura showed us the plan and maybe that is A&B's plan. The community may support that in the future. Yes, most of the lands that she showed, eighty percent (80%) of whatever was all outside of this district that we are talking about right now, but the area that we are talking about includes a part of that. Clearly, they were a part of the CAC and they presented it to the twenty (20) member body or thirty (30) member body with the facilitation of all our planners. That is what they came up with; this Plan. This is not a zoning permit approval. It is just a plan. I think we should stick to what the community and planning...the facilitation came up with, even though yes, of course, that it has some involvement and input from A&B. There is nothing wrong with that.

Council Chair Rapozo:

Thank you. Councilmember Hooser.

Councilmember Hooser: Yes, it is no surprise that some of us disagree about this issue. Earlier today, we had little discussion and a week ago we had a big discussion about how corporations are not people, and now we are saying that A&B is "people," and that their vote and their participation on the Citizens' Advisory Committee is as good as anyone else's. Let us be clear that representatives of A&B are paid a salary to be at these meetings. That is their job. They are not members of the community working on the community's behalf. They are salaried employees, executives of a corporation, whose job is to enhance their profits. If we were able to look at the attendance records, I would wager that they never missed a meeting, unlike other community members who have jobs and families and do not get paid to go to these meetings. The existing language of the plan lists A&B. This is their plan. This is a huge gift to A&B. This is "the nose of the camel in the tent." They parade this around in front of the State Planning Commission, State Land Use Commissions, and future Planning Commissions and they will say, "See, it says right here: a future growth area." No member of the community that I can remember recalled came here and said, "We want this in this community of 'Ele'ele and Hanapēpē." In fact, some came here and testified, "Well, they have not really been brief about it." This is a huge gift for Alexander & Baldwin. We have asked just merely for the attendance records to see who did attend these meetings, let alone the minutes, and we have not been able to get those. This is a reasonable request that takes nothing away from the community whatsoever. It adds options and choices for the community and I believe that we owe the community those choices and encourage passage of this amendment. Thank you.

Councilmember Chock: Thank you, Chair. I am still where I was last week with this one. I reached out to some of the CAC members and out of eighteen (18), I got in touch with eight (8). One was against it, but the outcome was different from Councilmember Yukimura in terms of the rest of them. One said that they felt comfortable with the outcome of the plan and that the process was to be commended. That is where I really start to have some issues with us, again, deleting language that this group has worked so hard at putting into. I do have some concerns and I share some of the concerns that Councilmember Yukimura has and some of the fears that she has here. If we are going to say, "Look, we need community involvement," and that was the other part of this discussion today, we cannot continue to undermine their voice. I said from the beginning that I would be willing to look at additional language to amendments that would help to drive the

discussion, because this is a guide for us to look at as we develop our future plans. Deleting it, in my opinion, takes away the voice of what has occurred previously, so I will not be supporting it.

Council Chair Rapozo: Thank you. Anyone else?
Councilmember Kualii.

Councilmember Kualii: I just want to be very clear that I see a distinction between a community plan that stakeholders, whether it would be individuals, groups of individuals, community associations, or corporations can participate in making a plan where everybody is included. When it comes to permit approvals and zoning, and when now A&B is the applicant trying to get approval for such a project, then A&B is the applicant and community is the neighbors, and that is where the approvals happen. This is not approvals. This is a community plan and all members of our community should participate in putting together plans.

Council Chair Rapozo: Councilmember Yukimura.

Councilmember Yukimura: Just for the record, I do not think the three (3) that I talked to are the ones that Councilmember Chock talked to, so I believe there were at least three (3) who were not in agreement. I also do not know what kind of guidance they had in terms of how this correlates to the General Plan principles and how much discussion there was about impacts of traffic and government costs in servicing a new growth area. I also do not have any objections to A&B being part of the CAC. I think landowners need to be part of the CAC. I do think that the ultimate decision has to be not what is good for A&B, but what is good for the community at-large, and not just the community now, but future generations as well. Sometimes that well-being dovetails that is what is good for A&B is good for the community, but sometimes it does not. It is us, who around this table and who represent the community on the CACs and who represent individual citizens, who have to look at that question and say, "Is this really good for the common good and for the future generations?" I do not believe that question was really vetted and I also do not think that it should be vetted only with the CAC. It is a major question. It would be better vetted as an applicant's proposal so that people can come and speak to it. There was so much in this plan that I do not know how anybody could keep track of it. This is a major, major direction, growth in an area in the middle of important agricultural lands outside of our main towns, and it is not something that should even be done by a CAC alone. It should be done by a community with a focus on the whole development and its total impacts, not a small portion of it because there is such a difference. This looks innocuous when you view it in totality, in terms of traffic, water, sewer, and all of that. That is why they do not allow you when impact statements are done to break it down. They ask that you do an impact statement on the total project. So to me, this is just not good planning.

Council Chair Rapozo: Anyone else? Thank you,
Councilmember Chock for reaching out to the members of the CAC. I think it is important that eight (8) out of eighteen (18)... that is tough to do nowadays. I do not even know how A&B is even vilified in this discussion. The only reference to A&B in this plan is that they have stated that they envision this area as a general designation for an area envisioned by A&B to be a master plan community. So A&B, as a stakeholder, comes to the CAC and says, "This is our vision. That is our land. This is what we want to do to that land. They have the right to do that and they did it. Now, the members of the CAC and everybody understand what A&B's

future plans are. That is the only reference to this. There is nothing in here about what they are going to do. They are saying they want to do a master plan and that is the area where they want to do it. It has been identified. What this existing language does ensure me, as a Councilmember who has to vote on this, is that: number one, no projected residential growth; number two, zoning will not be amended; number three, it will be left in agriculture. All of these things will be in place until the Hanapēpē-‘Ele‘ele Plan will be discussed. That gives me assurances that until Hanapēpē-‘Ele‘ele has a say, we are not going to do nothing with this parcel; it is not going to be rezoned. Now, if we take it out then what happens? If we take this language out, next month A&B could be right here in front of us with a zoning application for rezoning to do something different. This protects this future area, which A&B has every right to do. It is not a matter of whether they are a person or a corporation. They are a stakeholder and you cannot have a community plan without all of the stakeholders, whether it is Grove Farm and A&B. It does not matter. They need to participate in order for the community to understand what the future direction is. To me, the existing language, which was vetted out by the community, which Councilmember Chock has stated that he spoke to eight (8) of them and it appears that they were addressed...

Councilmember Chock: Seven (7).

Council Chair Rapozo: No, but eight (8) of them did say that it was vetted out, which is completely different from what Councilmember Yukimura said earlier. I am not going to debate who is right or who is wrong. Maybe she spoke to three (3) different ones. My point is that they all participate with the stakeholders. You need to have the stakeholders in there, whether you like corporations or not. They are a part of the community and it is best that they participate so that we know what their vision is, and then we adjust accordingly. This, to me, is the way you deal with it. You put it in a placeholder status until the community that is going to be impacted, which is the Hanapēpē-‘Ele‘ele community, has an opportunity to vet it out, versus the south shore, Kōloa-Po‘ipū people. It is exactly what Mr. Bernabe said. He does not want Kapahi people dictating what is going to be happening in Hanapēpē-‘Ele‘ele. This language secures that and keeps it in placeholder status, keeps it in agriculture; no more development and no more rezoning until Hanapēpē-‘Ele‘ele can vet it out. I do not understand why we would not want that if that is what was viewed by the community, that was what was approved by the CAC, and that is what is in front of us today. I agree that taking this out would be detrimental and it would be going against what the community wants. I think the safest way to preserve this area—at the time A&B decides to move forward, obviously it would have to be after the Hanapēpē-‘Ele‘ele community gets a chance to vet it out, and then their individual processes will take its place. Until then, I think this language, for me anyway, brings me some comfort that that area is going to be safe and secure until the Hanapēpē-‘Ele‘ele people will be able to address the issue. Thank you. Can we get a roll call on this amendment?

The motion to amend the South Kaua‘i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 6 was then put, and failed by the following vote:

FOR AMENDMENT:	Hooser, Yukimura	TOTAL – 2,
AGAINST AMENDMENT:	Chock, Kagawa, Kualī‘i, Rapozo	TOTAL – 4,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	Kaneshiro	TOTAL – 1.

Council Chair Rapozo:
Councilmember Yukimura.

The motion fails. Any more amendments?

Councilmember Yukimura moved to amend the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 7, seconded by Councilmember Hooser.

Councilmember Yukimura: This is based on the discussion that we had prior to lunch. What I am proposing is that the lower portion of the State parcel be set aside for workforce housing, so not part of the down-designation, if you will, to agriculture, but the rest of the parcel. So we are talking about seven (7) to twelve (12) acres to be kept and it is closest to the urban gateway project. It is State land, so we do not have to buy it. It is under lease right now. I think we all know how urgent affordable housing is and I think State land that is contiguous to urban residential areas is a very logical place for housing, so I would like to keep a few acres designated as such.

Council Chair Rapozo: Any public testimony? Did you have a chance to read the amendment? The rules are suspended with no objections.

There being no objections, the rules were suspended.

Mr. Bernabe: Matt Bernabe, for the record. I understand where you are going with this, Councilmember Yukimura, but I want to point out for the record to all you Councilmembers is that there is no real such thing as affordable housing if all of the jobs have low wages. Until we start exporting...that is why I was against the one in the beginning because we should keep farmlands so that we can make better paying jobs so that the people can afford the homes, so no matter where you put them, if it is State land that we can keep it lower or if it is private land that we have to inflate it. The issue here is that the people who live here do not make enough money. It does not matter if the house was two hundred thousand dollars (\$200,000), four hundred thousand dollars (\$400,000), or six hundred thousand dollars (\$600,000)—I used to work at Duke's and what changed me and made me decide to become smarter and go get a better paying job and get more involved was that I used to average fifty (50) hours a week—literally, fifty (50) hours a week. At the end of the year, I made like sixteen thousand dollars (\$16,000) one year. I thought to myself, "This is not enough." Then I had to get smarter and think outside of the box. The point that I am trying to make here is that unless we get real about exporting what we can export...we do not have ore to make iron, steel, and all of that, but we do have crafts and we do have good agricultural land. Until we start shipping out some of our exports and get our wages up, the addressing of affordable homes is really a joke. Because even if you do put these homes in on State land, do you know what is going to happen? The people that get them are either going to go under water and they are going to have to get rid of them, no matter what stipulations you put, or there is going to be multigenerational homes that are going to have grandmas, dads, and children and all of their children's children. That is what happens in this. So whenever you are talking about affordable housing, we better include the discussion of real wage paying jobs. How do you get real wage paying jobs? You start exporting a real product, either *tapa*, *poi*, or whatever it is. If we are not exporting it, then we are not making good money.

Council Chair Rapozo:

Questions?

Councilmember Yukimura: Yes. Matt, just so that you know, in our housing program, people who qualify for the housing by income pay only thirty percent (30%) of their household income, whatever the income is. That is why we have people in Kālepa. Whether it is for purchase or rent, that is the rules. So people can afford it because it is keyed to their income.

Mr. Bernabe: Councilmember Yukimura, can I just wake you up real quick? I personally know a lot of people who break the rules because they have to, to have people live with them right in Kālepa. I know several people. What I am trying to explain to you is that on paper this all sounds great, but until you address the root problem, which are wages, then you can make all of the affordable homes that you want to. They are just going to go. I am sorry to say. That is how it works.

Council Chair Rapozo: Is there anyone else wishing to testify on this amendment? If not, I will call the meeting back to order. Any discussion? If not, roll call.

There being no objections, the meeting was called back to order, and proceeded as follows:

The motion to amend the South Kauaʻi Community Plan Booklet as referenced in Bill No. 2576, Draft 1, as circulated, as shown in the Floor Amendment which is attached hereto as Attachment 7 was then put, and failed by the following vote:

FOR AMENDMENT:	Chock, Hooser, Yukimura	TOTAL – 3,
AGAINST AMENDMENT:	Kagawa, Kualīʻi, Rapozo	TOTAL – 3,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	Kaneshiro	TOTAL – 1.

Council Chair Rapozo: Are there any other amendments? If not, we are back to the main motion. Any further discussion? If not, roll call.

The motion for adoption of Bill No. 2576, Draft 1, as amended to Bill No. 2576, Draft 2, with amendments made to the South Kauaʻi Community Plan Booklet (currently dated 2014) on second and final reading, and that it be transmitted to the Mayor for his approval was then put, and carried by the following vote:

FOR ADOPTION:	Chock, Kagawa, Kualīʻi, Yukimura, Rapozo	TOTAL – 5*,
AGAINST ADOPTION:	Hooser	TOTAL – 1,
EXCUSED & NOT VOTING:	None	TOTAL – 0,
RECUSED & NOT VOTING:	Kaneshiro	TOTAL – 1.

*(*Pursuant to Rule No. 5(b) of the Rules of the Council of the County of Kauaʻi, Councilmember Chock was noted as silent (not present) and Councilmember Yukimura was noted as silent, but shall be recorded as an affirmative for the motion; Councilmember Kaneshiro was recused.)*

Council Chair Rapozo: Motion carried. Let us take up the Executive Sessions at this point.

Ms. Fountain-Tanigawa: We are back to page 4.

EXECUTIVE SESSION:

ES-806 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4 and 92-5(a)(2) and (4), and Kaua'i County Charter Section 3.07(E), the Kaua'i County Council requests an Executive Session with the County Attorney pertaining to the hiring of an Interim County Auditor and/or County Auditor and to consult with the County's legal counsel. This Executive Session pertains to the hiring of an Interim County Auditor and/or County Auditor where consideration of matters affecting privacy will be involved as they relate to this agenda item.

ES-807 Pursuant to Hawai'i Revised Statutes (HRS) Sections 92-4, 92-5(a) (2) and (4), and Kaua'i County Charter Section 3.07(E), the Office of the County Attorney, on behalf of the Council, requests an Executive Session with the County Council to provide a briefing, discussion, and consultation on issues pertaining to Bill No. 2589, relating to recovery of rescue expenses, and related matters. This briefing and consultation involves the consideration of the powers, duties, privileges, immunities, and/or liabilities of the Council and the County as they relate to this agenda item.

Councilmember Kagawa moved to convene in Executive Session for ES-806 and ES-807, seconded by Councilmember Yukimura.

Council Chair Rapozo: Did you want to testify, Ms. Parker? No? Okay. We are going in for ES-807, and then we will come out so that we can cut B.C. loose after the last item on the open agenda, and then we will reconvene in Executive Session for the Auditor matter. Mauna Kea, how much time do you think you expect or need for ES-807? Fifteen (15) or so minutes? Okay. It should be real quick, B.C., so if you could just standby. We will do that. We are going into Executive Session, and then come out to handle C 2015-181. Thank you.

There being no objections, the meeting recessed at 2:43 p.m., to convene in Executive Session for ES-807.

The meeting reconvened at 3:26 p.m., and proceeded as follows:

(Councilmember Kaneshiro was noted as present.)

Council Chair Rapozo: The meeting is call back to order. Can we have the item read?

There being no objections, C 2015-181 was taken out of the order.

COMMUNICATIONS:

C 2015-181 Communication (06/05/2015) from Council Chair Rapozo, requesting Council consideration, for the public release of the following County Attorney opinion relating to Bill No. 2589 (Recovery of Rescue Expenses):

- County Attorney Opinion dated May 27, 2015
(Tracking No. 15-0441)

Councilmember Hooser moved to receive C 2015-181 for the record, seconded by Councilmember Yukimura.

Council Chair Rapozo: Any discussion? When is this item coming up for the Committee? Next week. Just for the public's information, this matter will be up for the Public Safety Committee next week Wednesday.

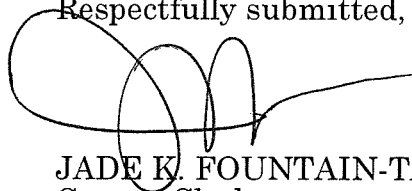
The motion to receive C 2015-181 for the record was then put, and unanimously carried.

Council Chair Rapozo: Thank you all. This concludes today's meeting. We will reconvene in Executive Session.

ADJOURNMENT:

There being no further business, the meeting was adjourned at 3:37 p.m.

Respectfully submitted,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

JADE K. FOUNTAIN-TANIGAWA
County Clerk

:cy

(July 1, 2015)

FLOOR AMENDMENT

Resolution No. 2015-44, Draft 3, Relating To Urging Hawai'i's Congressional Delegation To Address Excessive Campaign Spending By Proposing And Passing Amendments Clarifying That Corporations Are Not People With Constitutional Rights, In Particular Electoral Rights, And That Unlimited Campaign Spending Is Not Free Speech

Introduced by: JOANN A. YUKIMURA

Amend Resolution No. 2015-44, Draft 3, by amending the first paragraph to read as follows:

“WHEREAS, the United States Constitution [is intended to protect] was written and approved with the intention of protecting the rights of individual human beings (“natural persons”); and”

(Material to be deleted is bracketed. New material is underscored.)

V:\AMENDMENTS\2015\FA citizens united JY AO:aa

(July 1, 2015)

FLOOR AMENDMENT

Relating to Amendments to the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, relating to Establishing Regulations, Procedures, Zoning, Development Plans, and Future Growth Areas for the South Kaua'i Planning District, and Establishing Exceptions, Modifications, and Additions to Chapter 8 and Chapter 9, Kaua'i County Code 1987, as amended

Introduced by: MASON K. CHOCK

1. Amend Bill No. 2576, Draft 1 by amending the proposed SECTION 1, as follows:

"SECTION 1. Findings and purpose: The South Kaua'i Community Plan was completed by the Planning Department to update what is known as the Kōloa-Po'ipū-Kalāheo Development Plan of 1978 (Ordinance No. 447). The South Kaua'i Community [plan] Plan was developed through a robust public participation program and with guidance from a citizens advisory committee. A community plan adopted by Ordinance under Chapter 10, Kaua'i County Code 1987, as amended, is the equivalent of a "development plan" referenced in the Charter of the County of Kaua'i, Article XIV, "Planning Department."

The purpose of this Bill is to repeal Chapter 10, Article 6, Kaua'i County Code 1987, as amended (Kōloa-Po'ipū-Kalāheo Development Plan) and replace it with the South Kaua'i Community Plan Implementing Ordinance, which incorporates by reference the document entitled "South Kaua'i Community Plan." Accompanying the South Kaua'i Community Plan are new regulations identified as the South Kaua'i Form-Based Code, for three (3) Special Planning Areas. The South Kaua'i Form-Based Code is attached as Appendix "C" to the South Kaua'i Community Plan, and the proposed Special Planning Areas are identified in the zoning maps attached to the Ordinance effectuated by this Bill."

2. Amend Bill No. 2576, Draft 1 by amending the proposed SECTION 3, relating to the proposed Section 10-6.1(b) as follows:

"(b) Nature of the South Kaua'i Community Plan Ordinance. This Article provides the necessary framework and guidelines to direct future development and capital improvements in the South Kaua'i Planning District, whose boundary includes Kōloa, Po'ipū, Kalāheo, 'Oma'o, and Lāwa'i. Additionally, this Article supplements Chapter 8, Kaua'i County Code 1987, as amended (Comprehensive Zoning Ordinance) and Chapter 9, Kaua'i County Code 1987, as amended (Subdivision Ordinance) by regulating use and development standards within the South Kaua'i Special Planning Areas, as identified in the zoning maps attached to [the Ordinance effectuated by this Bill.] Ordinance No. ***, and on file with the Planning Department, County of Kaua'i."

3. Amend Bill No. 2576, Draft 1 by amending the proposed SECTION 3, relating to the proposed Section 10-6.4(a) as follows:

"(a) The South Kaua'i Form-Based Code, attached as Appendix "C" to the South Kaua'i Community Plan, is by reference incorporated herein and made a part hereof. The provisions of the South Kaua'i Form-Based Code shall apply to all new development located within the Special Planning

Areas, as identified in the zoning maps attached to [the Ordinance effectuated by this Bill] Ordinance No. ***, and on file with the Planning Department, County of Kaua'i."

4. Amend Bill No. 2576, Draft 1 by amending the proposed SECTION 3, relating to the proposed Section 10-6.6 as follows:

Section 10-6.6 Special Planning Areas, Designation, and Procedures.

"(a) Designation of Special Planning Areas "H," "I," and "J." The boundaries of the following form-based code districts are hereby adopted as described in the South Kaua'i Form-Based Code, attached as Appendix "C" to the South Kaua'i Community Plan, and shall be referred to as follows:

(1) Special Planning Area "H," which shall also be known as the "Kōloa Town Walkable Mixed Use District" and be designated as "SPA-H" as shown on the zoning map attached to [the Ordinance effectuated by this Bill] Ordinance No. *** as Exhibit ["1."] 1, and on file with the Planning Department, County of Kaua'i.

(2) Special Planning Area "I," which shall also be known as the "Kalāheo Town Walkable Mixed Use District" and be designated as "SPA-I" as shown on the zoning map attached to [the Ordinance effectuated by this Bill] Ordinance No. *** as Exhibit ["2."] 2, and on file with the Planning Department, County of Kaua'i.

(3) Special Planning Area "J," which shall also be known as the "Po'ipū Roundabout Walkable Mixed Use District" and be designated as "SPA-J" as shown on the zoning map attached to [the Ordinance effectuated by this Bill] Ordinance No. *** as Exhibit ["3."] 3, and on file with the Planning Department, County of Kaua'i.

(b) Designation of Zoning Maps. In order to carry out the purpose of this Article, the zoning maps [KM-KO] ZM-KO 300, ZM-KL 300, and [KM-KU] ZM-KU 300 of Chapter 8, Kaua'i County Code 1987, as amended (Comprehensive Zoning Ordinance), are hereby amended."

5. Amend Bill No. 2576, Draft 1 by amending the proposed SECTION 5 as follows:

"SECTION 5. When revising, compiling, or printing this Ordinance for inclusion in the Kaua'i County Code 1987, as amended, the designated Ordinance number of this Ordinance shall be substituted [into the blank spaces located in] for the *** placeholders denoted in Sections 10-6.1(b), 10-6.4(a), and 10-6.6(a)(1)-(3)."

6. Amend Bill No. 2576, Draft 1 by amending the proposed Exhibit “1” in pertinent part as follows:

**“LOCATION MAP SHOWING [PROPOSED] AMENDMENT TO ZONING MAP
[ZM-KO] ZM-KO 300
ESTABLISHMENT OF SPECIAL PLANNING AREA – “H” (SPA-H)
Kōloa, Kaua‘i, Hawai‘i”**

7. Amend Bill No. 2576, Draft 1 by amending the proposed Exhibit “2” in pertinent part as follows:

**LOCATION MAP SHOWING [PROPOSED] AMENDMENT TO ZONING MAP
ZM-KL 300
ESTABLISHMENT OF SPECIAL PLANNING AREA – “I” (SPA-I)
Kalāheo, Kaua‘i, Hawai‘i**

8. Amend Bill No. 2576, Draft 1 by amending the proposed Exhibit “3” in pertinent part as follows:

**LOCATION MAP SHOWING [PROPOSED] AMENDMENT TO ZONING MAP
ZM-KU 300
ESTABLISHMENT OF SPECIAL PLANNING AREA – “J” (SPA-J)
Po‘ipū, Kaua‘i, Hawai‘i**

(Material to be deleted is bracketed. New material to be added is underscored.)
V:\AMENDMENTS\2015\SOUTH KAUAI COMMUNITY PLAN Bill No. 2576,
Draft 1 (Amendments & Matrices)\07-01-2015 Bill No. 2576, Draft 1
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(July 1, 2015)

FLOOR AMENDMENT

Relating to Amendments to the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, relating to Establishing Regulations, Procedures, Zoning, Development Plans, and Future Growth Areas for the South Kaua'i Planning District, and Establishing Exceptions, Modifications, and Additions to Chapter 8 and Chapter 9, Kaua'i County Code 1987, as amended

Introduced by: ROSS KAGAWA

1. Amend page 3-14 through 3-16 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft, as amended by the Planning Committee on April 15, 2015 and May 13, 2015), by amending Table 3-2: Coastal Area Descriptions, columns "Coastal Area" and "Place Names" only, in pertinent part as follows:

Coastal Area	Place Names
Wahiawa Bay	
Kalāheo	
Nōmilu Fishpond & Pālama Beach	
Lāwa'i Kai	<ul style="list-style-type: none"> • <u>Manaloa – Border of Kalāheo and Lāwa'i Ahupua'a</u> • Ka Lae o Kaiho'lali –west point of Lāwa'i Bay • Ka'ulala - name of middle of Lāwa'i Bay • Ka Lae o Kaiwa (the point of the frigate bird)– east point of Lāwa'i Bay • Pueo Point - Point east of Kalaeokaiwa
Spouting Horn Beach Park	
Kukui'ula Small Boat Harbor	<ul style="list-style-type: none"> • <u>Kukui'ula Bay</u> • <u>Kaūlala Point - east point of Kukui'ula Bay</u>
Beach House Beach & Ho'ai Bay	<ul style="list-style-type: none"> • 'Ekaha (birdnest fern) – point west Ka Lae Kiki • Kai Halulu (To roar like thunder, or a legendary man-eating bird) – Halauakalena just after Boyden's makai of public parking area surf spot by Weir's former residence (Heroins) • Waialeale Beach – from Kai Halulu to Kolopa (Acid Drop) • Kolopa – Beach House point (PK's)

Coastal Area	Place Names
	<ul style="list-style-type: none"> • <u>Hō'ai Bay (to feed) – Kūhiō Park</u> • <u>Kunu (to broil) – Rosenbergers</u> • <u>Kāheka (shallow pool)</u> • <u>Nahumā'alo Point (to bite in passing) – Webers</u>
Kōloa Landing	<ul style="list-style-type: none"> • <u>Keawaloa (long channel or milkfish)</u> • <u>Kaheka (Waterhouse/Baby Beach)</u> • <u>Hanakā'ape Bay (headstrong)</u> • <u>Keawaloa – River mouth (long channel or milkfish)</u> • <u>Lae of Nahumā'alo – point west of Whalers Cove Condominium</u> • <u>Ma'ulili Kai - stretch between Hanakā'ape Bay to Lae o Kamilo (Sheraton Hotel)</u> • <u>Lae o Kahala</u>
Po'ipū Beach & Waiohai Beach	<ul style="list-style-type: none"> [• <u>Ma'ulili Kai - stretch between Hanakā'ape Bay to Lae o Kamilo (Sheraton Hotel)</u>] • <u>Punahoa (companion spring)</u> • <u>Lae o Ka'ōpua (point of the puffy cloud) – cow's head</u> • <u>Lae o Kamilo</u> • <u>[Kaho'onapua'a] Kaho'ōnāpua'a – [Beach] Bay/Beach fronting Sheraton and Outrigger Kiahuna Resort</u> • <u>Haleoi'a – Bay fronting Marriott Waiohai Beach (house of fish)</u> • <u>Heiau Kihouna – Marriott</u> • <u>Nukumoe Point</u> • <u>Kaho'oleinakapua'a – Po'ipū Beach</u> • <u>Po'opoko – border of Kōloa and Weliweli ahupua'a</u> • <u>Makahū'ena Point</u>
Po'ipū Beach Park & Brenneke Beach to Makahū'ena Point	
Keonelo/Keoniloa (Shipwreck) Beach	<ul style="list-style-type: none"> • <u>Kaneaukai Point – border of Weliweli and Pa'a ahupua'a (name of a fish god)</u> • <u>Keonelo Bay</u>
Māhā'ulepū Beach	<ul style="list-style-type: none"> • <u>Waiopili Stream – boundary point of Pa'a and Māhā'ulepū near former quarry (west of stream)</u> • <u>Makawehi</u> • <u>Boundary point of Pā'a and Māhā'ulepū near Quarry Ditch (west of ditch)</u> • <u>Papalinakoa</u> • <u>Pu'uleoko</u>

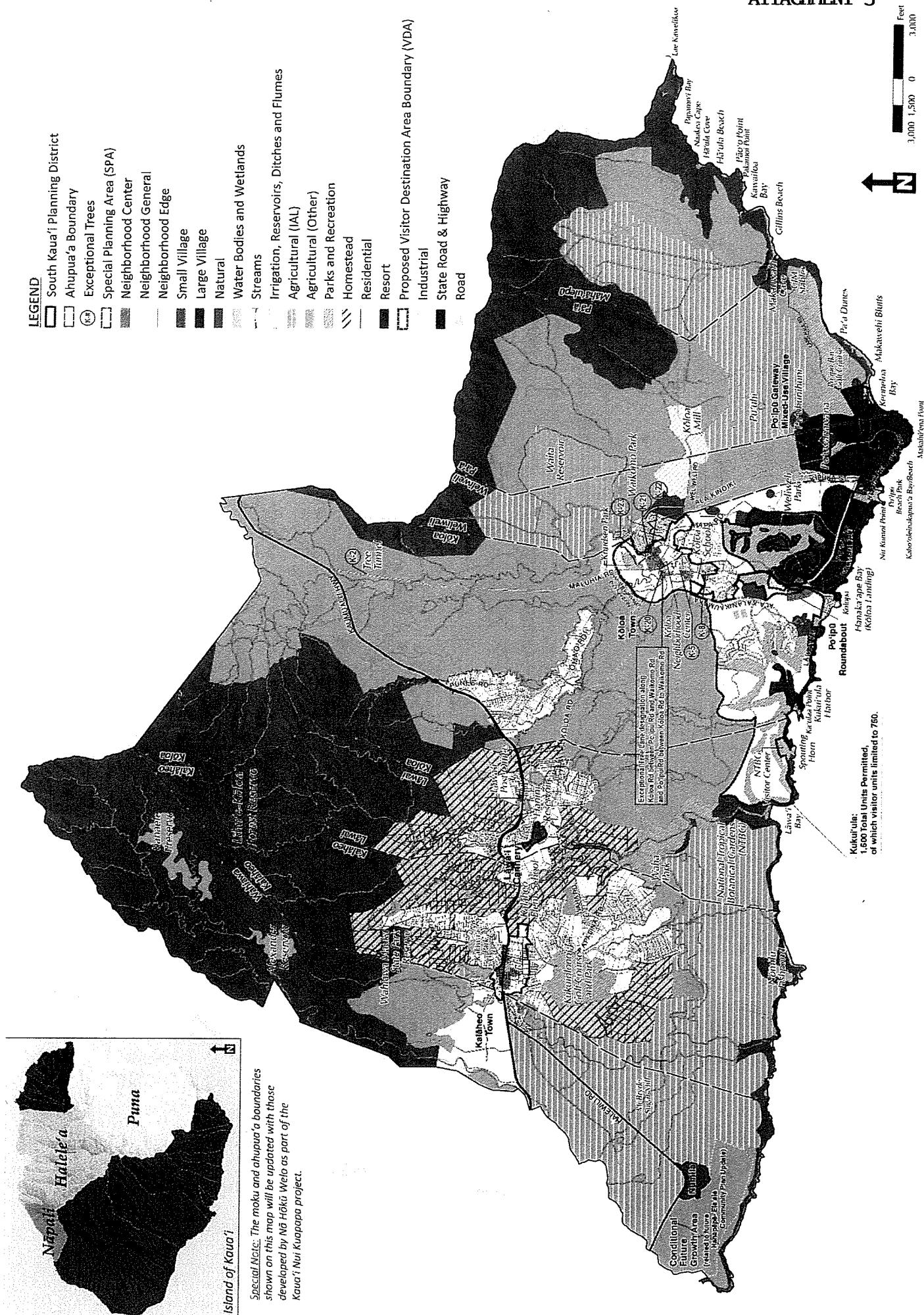
Coastal Area	Place Names
	<ul style="list-style-type: none"> • Kāmala Point (the garden) • Kāwailoa Bay (meaning long water) • Papamo'i Bay (meaning platform of the chiefs) • Pākamoi (meaning wobbling rock) • Pā'ō'ō Cape (named for the several varieties of ō'ōpu) • Hā'ula (meaning reddish; a reference to limu hā'ula) • Nā'ākea Cape (also called "Second Hā'ula"; translation unknown, but area known for the battle of Kawelewele Iki) • Lae Kawelikoā Point (border of Kipu and Māhā'ulepū)
Sources: US ACOE Coastal Resource Atlas (1984; GIS 1989); UH SOEST 2009; T. Blake (personal communication 2014, 2015); DOH (Draft 2014)	

2. Amend page 4-3 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft), by amending Figure 4-1: Land Use Map, as shown in Attachment "A" of this Floor Amendment.

(Material to be deleted is bracketed. New material to be added is underscored.)

V:\AMENDMENTS\2015\SOUTH KAUAI COMMUNITY PLAN Bill No. 2576, Draft 1 (Amendments & Matrices)\07-01-2015 Bill No. 2576, Draft 1 Amendments\07-01-2015 Bill No 2576 D1 SKCP Booklet Consultant with Place Names JA:aa

Attachment A



(July 1, 2015)

FLOOR AMENDMENT

Relating to Amendments to the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, relating to Establishing Regulations, Procedures, Zoning, Development Plans, and Future Growth Areas for the South Kaua'i Planning District, and Establishing Exceptions, Modifications, and Additions to Chapter 8 and Chapter 9, Kaua'i County Code 1987, as amended

Introduced by: JOANN A. YUKIMURA

1. Amend page 4-10 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft as amended by the Planning Committee on April 15, 2015 and May 13, 2015) by amending Section 4.2.3, Housing Location and Options, as follows:

- “a. Provide for a diversity of housing to accommodate various household types, incomes and family sizes. The ability to afford a place to live close to work, commercial services, and places to play fosters independence, allows income to be spent in other ways besides transportation costs, and builds community.
- b. Focus the residential population to infill on vacant zoned land and strategic areas contiguous to existing settlements. Beyond the absorption within existing urban zoned land, the future population growth as projected by SMS through 2035 shall be directed to the following areas:
 - Existing Town Centers- Kōloa (24 percent) and Kalāheo (3 percent)
 - Po'ipū Gateway (60 percent)
 - Numila (8 percent)
 - Homestead lots (5 percent)
- c. Locate a mix of housing including workforce housing close to employment centers. The new Po'ipū Gateway Mixed-Use Village is an opportunity to locate a variety of housing options including higher-density workforce housing within walking and biking distance of the Po'ipū resort community, one of the largest employment centers on the island and the largest in the Planning District (CH2MHill 2014, Exhibit 3.3). The CAC envisioned this area to be the focus of the majority of future growth within the Planning District to preserve the character of existing historic towns. Over 1,000 housing units (60 percent of projected residential growth) has been allocated here. The CAC also envisioned this as the highest level transect in the Planning District.
- d. Allow for a variety of accessory dwellings such as 'ohana units and “granny flats” within the SPAs.
- e. Provide affordable housing, especially in the Kōloa-Po'ipū area, a major jobs center on the island, through policies and actions that ensure sufficient affordable housing in the region on a long-term basis.
- [e.] f. Preserve affordable housing stock and provide options that support senior housing and aging in place.”

(July 1, 2015)

FLOOR AMENDMENT

Relating to Amendments to the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, relating to Establishing Regulations, Procedures, Zoning, Development Plans, and Future Growth Areas for the South Kaua'i Planning District, and Establishing Exceptions, Modifications, and Additions to Chapter 8 and Chapter 9, Kaua'i County Code 1987, as amended

Introduced by: JOANN A. YUKIMURA

1. Amend page 6-14 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft), by amending Section 6.6, MONITORING, as follows:

“Once the South Kaua'i Community Plan is adopted, monitoring for the SPAs should occur annually for at least the first five years to determine the effectiveness and ease of implementation for developers and review by Planning Department staff. Annual reports shall be transmitted to the Planning Commission and County Council. Adjustments and fine tuning should occur as needed. Once staff becomes proficient in their reviews, monitoring can shift to once every five years[.] and reports shall be transmitted accordingly.”

2. If any provision that is amended is also found elsewhere, such language is hereby amended to provide consistency.
3. If more than one amendment to a same section is adopted on this date, all such amendments shall take effect to the extent there is no conflict. If there is a conflict, the latest amendment shall be controlling.

(Material to be deleted is bracketed. New material to be added is underscored.)

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(July 1, 2015)

FLOOR AMENDMENT

Relating to Amendments to the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, relating to Establishing Regulations, Procedures, Zoning, Development Plans, and Future Growth Areas for the South Kaua'i Planning District, and Establishing Exceptions, Modifications, and Additions to Chapter 8 and Chapter 9, Kaua'i County Code 1987, as amended

Introduced by: JOANN A. YUKIMURA

1. Amend page ii of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft), by amending the Table of Contents, in pertinent part as follows:

"[4.1.9 Future Growth Area related to the Hanapēpē-'Ele'ele Community Plan.....4-9]"

2. Amend page 4-3 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft), by amending Figure 4-1: Land Use Map, as shown in Attachment "A" of this Floor Amendment.
3. Amend page 4-9 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft), by amending Section 4.1.9, Future Growth Area related to the Hanapēpē-'Ele'ele Community Plan, as follows:

"[4.1.9 Future Growth Area related to the Hanapēpē-'Ele'ele Community Plan

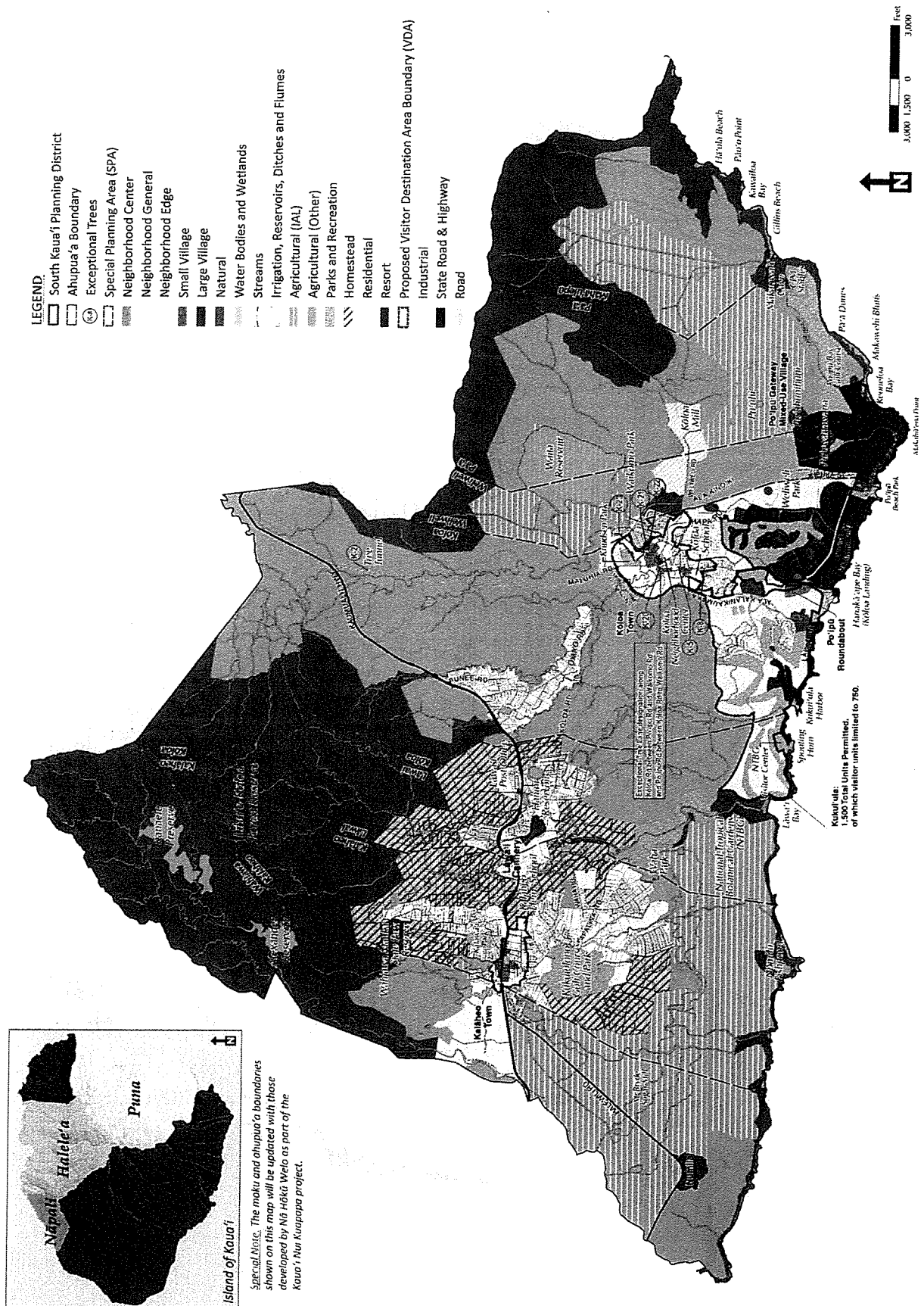
The Future Growth Area related to the Hanapēpē-'Ele'ele Community Plan is a general designation for an area envisioned by A&B Properties, Inc. to be a master planned community supporting the growth of 'Ele'ele and Port Allen. Because of the boundary shift between planning districts, it falls within the South Kaua'i planning district. On the Land Use Map, it is shown as a placeholder and will be further defined as part of the future Hanapēpē-'Ele'ele Community Plan update. No projected residential growth for South Kaua'i has been allocated to the area as a part of this community plan update and the zoning will not be amended as part of this plan. It is therefore left in Agriculture on the Land Use Map. Its rough boundaries are shown as a placeholder and the area will be further defined during the future Hanapēpē-'Ele'ele Community Plan update.]"

4. If any provision that is amended is also found elsewhere, such language is hereby amended to provide consistency.
5. If more than one amendment to a same section is adopted on this date, all such amendments shall take effect to the extent there is no conflict. If there is a conflict, the latest amendment shall be controlling.

(Material to be deleted is bracketed. New material to be added is underscored.)

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ATTACHMENT A



(July 1, 2015)

FLOOR AMENDMENT

Relating to Amendments to the South Kaua'i Community Plan Booklet as referenced in Bill No. 2576, Draft 1, relating to Establishing Regulations, Procedures, Zoning, Development Plans, and Future Growth Areas for the South Kaua'i Planning District, and Establishing Exceptions, Modifications, and Additions to Chapter 8 and Chapter 9, Kaua'i County Code 1987, as amended

Introduced by: JOANN A. YUKIMURA

1. Amend page 6-3 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft as amended by the Planning Committee on April 15, 2015 and May 13, 2015) by amending Section 6.1.2.2, Future Zoning District Amendments, as follows:

“State land. There is a State-owned parcel TMK 2-8-022:006 that is recommended for downzoning from R-6 to Open[.], except for the lower (makai) portion of the parcel (approximately 7-12 acres), which shall be used for affordable workforce housing. Discussion with the DLNR Land Agent regarding the first parcel indicated that there are no concerns as there are no projects slated for the land. It is currently under a long-term agricultural lease for ranching till the year 2030.

Industrial. The roughly 160-acre area around the historic Kōloa Mill is designated for industrial use and a zoning amendment should be sought for the area indicated on the Land Use Map (Figure 4 1) in conjunction with a State Land Use District Boundary Amendment to Urban.”

2. Amend page 4-3 of the South Kaua'i Community Plan booklet (2014 Planning Commission-Approved Draft, as amended by the Planning Commission on July 1, 2015), by amending Figure 4-1: Land Use Map, as shown in Attachment “A” of this Floor Amendment.
3. If any provision that is amended is also found elsewhere, such language is hereby amended to provide consistency.
4. If more than one amendment to a same section is adopted on this date, all such amendments shall take effect to the extent there is no conflict. If there is a conflict, the latest amendment shall be controlling.

(Material to be deleted is bracketed. New material to be added is underscored.)

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